

# Tax Tables Applying to CF1, CF2, CF4, R01, R02, R03, R04 and R05

For study purposes only. Not to be taken into exam.

## INCOME TAX

RATES OF TAX	2011/2012
Starting rate for savings*	10%
Basic rate	20%
Higher rate	40%
Additional rate	50%
Starting-rate limit	£2,560*
Threshold of taxable income above which higher rate applies	£35,000
Threshold of taxable income above which additional rate applies	£150,000

\*restricted to savings income only and not available if taxable non-savings income exceeds starting rate band.

MAIN PERSONAL RELIEFS	
Income limit for Personal Allowance §	£100,000
Personal Allowance (basic) §	£7,475
Personal Allowance (age 65-74) §	£9,940
Personal Allowance (aged 75 and over) §	£10,090
Married/civil partners (minimum) at 10% †	£2,800
Married/civil partners (age 75 and over) at 10%	£7,295
Income limit for age-related allowances	£24,000
Blind Person's Allowance	£1,980
Enterprise Investment Scheme relief limit on £500,000 max	30%
Venture Capital Trust relief limit on £200,000 max	30%

§ the Personal Allowance reduces by £1 for every £2 of income above the income limit irrespective of age.

† where at least one spouse/civil partner was born before 6 April 1935.

Child Tax Credit (CTC)	
- family element	£545
- family element baby addition	Withdrawn
CTC usually reduced by 41% of joint income over	£40,000

## NATIONAL INSURANCE CONTRIBUTIONS

Class 1 Employee	Weekly	Monthly	Yearly
Lower Earnings Limit (LEL)	£102	£442	£5,304
Primary threshold	£139	£602	£7,225
Upper Accrual Point	£770	£3,337	£40,040
Upper Earnings Limit (UEL)	£817	£3,540	£42,475

Total earnings £ per week	CLASS 1 EMPLOYEE CONTRIBUTIONS	
	Contracted-in rate	Contracted-out rate
Up to 139.00*	Nil	Nil
139.01 – 770.00	12%	10.4%
770.01 – 817.00	12%	12%
Above 817.00	2%	2%

\* This is the primary threshold below which no NI contributions are payable. However, the lower earnings limit is £102 per week. This £102 to £139 band is a zero rate band introduced in order to protect lower earners' rights to contributory State benefits e.g. Basic State Pension.

Total earnings £ per week	CLASS 1 EMPLOYER CONTRIBUTIONS		
	Contracted-in rate	Contracted-out rate	
		Final salary	Money purchase
Below 136.00**	Nil	Nil	Nil
136.01 – 770.00	13.8%	10.1%	12.4%
770.01 – 817.00	13.8%	13.8%	13.8%
Excess over 817.00	13.8%	13.8%	13.8%

\*\* Secondary earnings threshold.

<b>Class 2 (self-employed)</b>	Flat rate per week £2.50 where earnings exceed £5,315 per annum.
<b>Class 3 (voluntary)</b>	Flat rate per week £12.60.
<b>Class 4 (self-employed)</b>	9% on profits between £7,225 - £42,475 plus 2% on profits above £42,475.

## PENSIONS

TAX YEAR	LIFETIME ALLOWANCE	ANNUAL ALLOWANCE
2006/2007	£1,500,000	£215,000
2007/2008	£1,600,000	£225,000
2008/2009	£1,650,000	£235,000
2009/2010	£1,750,000	£245,000
2010/2011	£1,800,000	£255,000
2011/2012	£1,800,000	£50,000

### ANNUAL ALLOWANCE CHARGE

20% - 50% member's tax charge on the amount of total pension input in excess of the annual allowance.

### LIFETIME ALLOWANCE CHARGE

55% of excess over lifetime allowance if taken as a lump sum.

25% of excess over lifetime allowance if taken in the form of income, which is subsequently taxed under PAYE.

## INHERITANCE TAX

### RATES OF TAX ON DEATH TRANSFERS

2011/2012

Transfers made after 5 April 2011

- Up to £325,000	Nil
- Excess over £325,000	40%
- Lifetime transfers to and from certain trusts	20%

### MAIN EXEMPTIONS

Transfers to

- UK-domiciled spouse/civil partner	No limit
- non-UK-domiciled spouse/civil partner (from UK-domiciled spouse)	£55,000
- UK-registered charities	No limit

Lifetime transfers

- Annual exemption per donor	£3,000
- Small gifts exemption	£250

Wedding/civil partnership gifts by

- parent	£5,000
- grandparent	£2,500
- other person	£1,000

100% relief: businesses, unlisted/AIM companies, certain farmland/building

50% relief: certain other business assets

Reduced tax charge on gifts within 7 years of death:

- Years before death	0-3	3-4	4-5	5-6	6-7
- Inheritance Tax payable	100%	80%	60%	40%	20%

## MAIN SOCIAL SECURITY BENEFITS

2011/2012

£

Child Benefit	first child	20.30
	subsequent children	13.40
Employment and Support Allowance	Assessment Phase	
	Age 16 - 24	up to 53.45
	Aged 25 or over	up to 67.50
	Main Phase	
	Work Related Activity Group	up to 94.25
	Support Group	up to 99.85
Attendance Allowance	lower rate	49.30
	higher rate	73.60
Retirement Pension	single	102.15
	married	163.35
Pension Credit	single person standard minimum guarantee	137.35
	married couple standard minimum guarantee	209.70
	maximum savings ignored in calculating income	10,000.00
Bereavement Payment (lump sum)		2,000.00
Widowed Parent's Allowance		100.70
Jobseekers Allowance	Age 16 - 24	53.45
	Aged 25 or over	67.50

## CAPITAL GAINS TAX

### EXEMPTIONS

2011/2012

Individuals, estates etc	£10,600
Trusts generally	£5,300
Chattels proceeds (restricted to five thirds of proceeds exceeding limit)	£6,000

### TAX RATES

Individuals:	
Up to basic rate limit	18%
Above basic rate limit	28%
Trustees and Personal Representatives	28%
Entrepreneurs' Relief – Gains taxed at Lifetime limit	10%
	£10,000,000

## CORPORATION TAX

2011/2012

Full rate	26%
Small companies rate	20%
Small companies limit	£300,000
Effective marginal rate	27.5%
Upper marginal limit	£1,500,000