



Fuller Spurling

CHARTERED ACCOUNTANTS

Mill House, 58 Guildford Street, Chertsey, Surrey KT16 9BE

Tel: 01932 564098 Fax: 01932 562638

90 High Street, Sandhurst, Berkshire GU47 8EE

Tel: 01252 877477 Fax: 01252 875115

E-mail: mail@fuller-spurling.co.uk

www.fuller-spurling.co.uk

TAX DATA 2014/15



Income Tax

	2014-15	2013-14
Basic rate band – income up to	£31,865	£32,010
Starting rate for savings	*10%	*10%
Basic rate	20%	20%
Dividend ordinary rate	10%	10%
Higher rate – income over	£31,865	£32,010
Higher rate	40%	40%
Dividend upper rate	32.5%	32.5%
Additional rate – income over	£150,000	£150,000
Additional rate	45%	45%
Dividend additional rate	37.5%	37.5%

*Starting rate is for savings income up to the starting rate limit of £2,880 (£2,790) within the basic rate band. The rate applies to any balance of the limit remaining after allocating taxable non-savings income.

Personal allowances (PA)

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

Married couple's allowance (MCA) (relief restricted to 10%)

Either partner born before 6 April 1935	£8,165	£7,915
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Age-related allowances are reduced by £1 for every £2 that adjusted net income exceeds £27,000 (£26,100) to a minimum PA of £10,000 (£9,440) and to a minimum MCA of £3,140 (£3,040). Where adjusted net income exceeds £100,000, PA is reduced in the same way until it is nil regardless of the individual's date of birth.

Tax Shelters

Venture Capital Trust up to	£200,000	£200,000
Enterprise Investment Scheme up to	£1,000,000	£1,000,000
Seed Enterprise Investment Scheme up to	£100,000	£100,000
'Rent a Room' exempt on gross annual rent	£4,250	£4,250
Construction Industry Scheme deduction rate	20/30%	20/30%

ISAs: Overall investment limit £15,000 from 1 July 2014 (£11,880 from 6 April - 30 June 2014, including £5,940 cash maximum). Transitional rules may apply.

Pensions

There is no financial limit on the amount that may be contributed to a registered pension scheme. The maximum amount on which an **individual** can claim tax relief in any tax year is the greater of the individual's UK relevant earnings or £3,600 (gross). If **total pension input** exceeds the **annual allowance** of £40,000 there may be a tax charge on the excess. Maximum age for tax relief is 74 and minimum age for taking benefits is 55. Lifetime allowance charge – lump sum paid 55% and monies retained 25% on cumulative benefits exceeding £1.25 million. Maximum tax-free lump sum 25%.

Company Cars and Vans

These taxable benefits generally arise on employees earning £8,500 or over (including benefits) and directors. **Company car benefit** is calculated by applying the appropriate percentage (based on the car's CO₂ emissions – see table below) to the car's UK list price.

CO ₂ emissions (g/km)	Appropriate %		CO ₂ emissions (g/km)	Appropriate %	
	Petrol	Diesel		Petrol	Diesel
0	0	0	150 - 154	23	26
1 - 75	5	8	155 - 159	24	27
76 - 94	11	14	160 - 164	25	28
95 - 99	12	15	165 - 169	26	29
100 - 104	13	16	170 - 174	27	30
105 - 109	14	17	175 - 179	28	31
110 - 114	15	18	180 - 184	29	32
115 - 119	16	19	185 - 189	30	33
120 - 124	17	20	190 - 194	31	34
125 - 129	18	21	195 - 199	32	35
130 - 134	19	22	200 - 204	33	
135 - 139	20	23	205 - 209	34	
140 - 144	21	24	210 and above	35	
145 - 149	22	25			

Company car fuel benefit is charged unless the cost of all fuel for private use is borne by the employee. The taxable benefit is calculated by applying the appropriate % to the car fuel benefit charge multiplier (£21,700). Where VAT is to be reclaimed on fuel for private use, the employer also has to account for output tax based on a flat rate charge derived from the vehicle's CO₂ emissions.

Company van benefit is not related to CO₂ emissions but is a set figure of £3,090 with an extra £581 where fuel for private use is provided. There is no benefit charge for certain environmentally friendly vans or where the restricted private use condition is met.

Employees using their own cars for business: Approved mileage allowance payments are 45p per mile for the first 10,000 miles in the tax year and 25p thereafter. Income tax and NICs may be due on higher rates and tax relief may be available on lower rates.

Corporation Tax

Financial Year to		31 March 2015	31 March 2014
Taxable Profits			
First	£300,000	20%	20%
Next	£1,200,000	21.25%	23.75%
Over	£1,500,000	21%	23%

Capital Gains Tax

On chargeable gains	2014-15
Total taxable income and gains – up to £31,865	18%
– from £31,866	28%
Trust rate	28%

Entrepreneurs' relief – Qualifying gains will be taxed at 10%. Claims may be made on more than one occasion up to a "lifetime" total of £10 million • Annual exempt amount – individuals £11,000 and most trustees £5,500 • Transfers between spouses and civil partners are generally not chargeable.

Inheritance Tax

	2014-15	2013-14
Standard threshold	£325,000	£325,000
Combined threshold maximum for married couples and civil partners	£650,000	£650,000
Rate of tax on balance:		
Chargeable lifetime transfers	20%	20%
Transfers on, or within 7 years of, death	40%	40%

subject to a tapered reduction for transfers between 7 and 3 years before death

Exemptions may be available; please contact us for relevant information and advice.

National Insurance Contributions

Class 1 (not contracted out)	Employee (primary)	Employer (secondary)
Payable on weekly earnings of:		
Below £111 (lower earnings limit)	Nil	–
£111 - £153 (primary threshold)	*0%	–
Up to £153 (secondary threshold)	–	Nil
Above £153	–	13.8%
£153.01 - £805 (upper earnings limit)	**12%	–
Above £805	**2%	–

*No NICs are actually payable but notional Class 1 NIC is deemed to have been paid; this protects contributory benefit entitlement.

**Over state pension age, the employee contribution is generally nil.

Employment Allowance up to £2,000 (per year)

Class 1A On relevant benefits 13.8%

Class 2 Self employed £2.75 per week; limit of net earnings for exception £5,885 p.a

Class 3 Voluntary £13.90 per week

Class 4 Self employed on profits £7,956 - £41,865 *9%; excess over £41,865 *2%

*Exemption applies if state pension age was reached by 6 April 2014.

Stamp Taxes

Stamp duty is generally payable at a rate of 0.5% on transfers of shares and securities. On the transfer of property, the stamp duty land tax is:

Value up to £125,000*	nil
Over £125,000* to £250,000	1%
Over £250,000 to £500,000	3%
Over £500,000 to £1,000,000**	4%
Over £1,000,000** to £2,000,000**	5%**
Over £2,000,000**	7%**

*£150,000 for non-residential property. **Residential property only. A 15% rate may apply to properties over £500,000 purchased by certain non-natural persons.

Capital Allowances

Plant and Machinery: Investment for use in Enterprise Zones, energy saving and environmentally beneficial equipment, new zero-emission goods vehicles, low CO₂ emission (up to 95g/km) cars, natural gas/hydrogen refuelling equipment first year allowance (FYA) **100%** • Annual Investment Allowance (AIA) **100%*** – on first £500,000 of investment. Excludes cars and expenditure already qualifying for 100% FYA • Writing Down Allowance on expenditure not qualifying for AIA or FYA: Long-life assets, integral features of buildings, cars over 130g/km **8%** • Other plant and machinery **18%** • Business premises renovation maximum initial allowance **100%**

*Transitional rules may apply.

Value Added Tax

From	1 April 2014
Standard Rate	20%
VAT Fraction	1/6
Reduced Rate	5%

Current Turnover Limits

Registration – last 12 months/next 30 days over	£81,000 from 1 April 2014
Deregistration – next year under	£79,000 from 1 April 2014
Annual and Cash Accounting Schemes	£1,350,000
Flat Rate Scheme	£150,000

Selected Rates

Basic Retirement Pension	– Single person	£113.10
	– Couple	£180.90
Pension Credit Standard Minimum Guarantee	– Single person	£148.35
	– Couple	£226.50
Child Benefit	– First eligible child	£20.50
	– Each subsequent child	£13.55

Statutory Pay qualification – average weekly earnings (AWE) £111 or over.

Sick (SSP) The standard rate is £87.55 per week for up to 28 weeks.

Maternity (SMP), Adoption (SAP) and Paternity (SPP) paid at the lower of £138.18 or 90% of AWE apart from first 6 weeks of SMP which is paid at 90% of AWE.

SMP and **SAP** are payable for up to 39 weeks. **SPP** is payable for up to 2 weeks.

Jobseeker's Allowance is paid at £72.40 (single person - 25 or over) or £113.70 (couple – both 18 or over).

Universal Credit (monthly rates) – Standard allowance for a single person (25 or over) is £314.67. The couple's rate (where one or both are 25 or over) is £493.95. The new Universal Credit is being phased in gradually.

National Minimum Wage: Age	21 and over	18-20	16 and 17	Apprentices*
From 1 October 2013	£6.31	£5.03	£3.72	£2.68
From 1 October 2014	£6.50	£5.13	£3.79	£2.73

* Rate applies to apprentices under 19, or 19 and over in the first year of apprenticeship.

Key Dates & Deadlines

Payment Dates		2014-15	2013-14
Income Tax and Class 4 NICs			
1st payment on account	31 January	2015	2014
2nd payment on account	31 July	2015	2014
Balancing payment	31 January	2016	2015
Capital Gains Tax	31 January	2016	2015
Class 1A NICs	19 July	2015	2014

Corporation Tax – generally 9 months and one day after the end of accounting period.

2013-14 Returns Filing Deadlines: 31 May 2014 - Issue P60s to employees • 6 July 2014 - P9D, P11D and P11D(b) and appropriate copies to employees • 31 October 2014 - Self Assessment Tax Return (SATR) - paper version • 30 December 2014 - SATR Online where outstanding tax (less than £3,000) to be included in 2015-16 PAYE code • 31 January 2015 - SATR Online

Under Real Time Information most employers must notify HMRC of payments and deductions on or before the time of payment. Some concessions apply. Budget Day edition. Rates subject to change – contact us for latest. For general guidance only, no responsibility is taken for action taken or refrained from in consequence of card contents.