

SUMMARY TAX RATES AND ALLOWANCES

	<u>2009/10</u>		<u>2010/11</u>		<u>2011/12</u>	
INCOME TAX						
Tax Rates						
Lower rate		-		-		-
Starting rate for savings:		(2440)		(2440)		(2560)
(From 2008-09 there is a 10% starting rate for savings income only. If your non-savings income is above this limit then the 10% for savings will not apply)		10%		10%		10%
Basic rate (37400)(37400)(35000)		20%		20%		20%
Higher rate (over £37400)(£37401 - £150,000)(£35,001-£150,000)		40%		40%		40%
Additional rate over £150,000		-		50%		50%
Dividends below higher rate threshold /(over threshold) (Savings Income(top slice))		10%/(32.5%)		10%/(42.5%)		10%/(42.5%)
Trust Rate		40%		50%		50%
Schedule F Trust Rate		32.5%		42.5%		42.5%
Allowances						
Personal allowance		6475		£6,475		£7,475
Income limit for Personal Allowance		-		£100,000		£100,000
Blind person's allowance		1890		£1,890		£1,980
Age allowance - 65-74						
Personal		9490		£9,490		£9,940
Married couple's (00/01 if born before 5/4/1935)		-		-		-
Minimum allowance where income exceeds limit		-		-		-
Income limit		22900		£22,900		£22,900
Age allowance - 75 and over						
Personal		9640		£9,640		£10,090
Married couple's (00/01 if born before 5/4/1935)	10%	6965	10%	£6,965	10%	£7,295
Minimum allowance where income exceeds limit	10%	2670	10%	£2,670	10%	£2,800
Income limit		22900		£22,900		£24,000
(the personal allowance reduces where the income is above £100,000 - by £1 for every £2 of income above this limit. This is irrespective of age)						
CAPITAL GAINS TAX						
Exempt amount of net gains - Individuals etc.	18%	10100	18%	10100	18%/28%	10600
- Trusts	18%	5050	18%	5050	28%	5300
(Entrepreneurs' relief may be available on some gains, this will reduce the effective tax rate on some gains to 10%. The Lifetime Allowance is now £2,000,000.00)						
(Trusts - where there is a group of settlements made by the same settlor, the exemption is divided by the number of settlements with a minimum of 1/10 of the Individuals exemption for each (i.e £1010 for 2010/11). The sharing of exemptions does not apply to settlements made before 7 June 1978.)						
PERSONAL PENSIONS						
- Earnings cap		-		-		-
- Annual allowance		245,000		255,000		50,000
- Lifetime allowance		1,750,000		1,800,000		1,800,000
INHERITANCE TAX						
Lifetime rate (20%)		325,000		325,000		325,000
Death rate (40%)						
TAXABLE STATE BENEFITS						
Retirement Pension						
Standard rate		95.25		97.65		102.15
Age Addition (over 79)		0.25		0.25		0.25
Wife (non contributory)		57.05		58.50		61.29
NATIONAL INSURANCE CONTRIBUTIONS						
Class 1 (earnings related)						
Lower earnings limit (per week)	0%	95.00	0%	97.00	0%	102.00
Primary/Secondary threshold	0%	110.00	0%	110.00	0%	139.00
Upper earnings limit (per week)	11%	844.00	11%	844.00	11%	817.00
	1%	above	1%	above	1%	above
Class 2 (small earnings exception)		5075.00		5075.00		5315.00
Class 2 rate		£2.40pw		£2.40pw		£2.50pw
Class 4		8%		8%		9%
lower level		5715.00		5715.00		7225.00
Upper level		43875.00		43875.00		42475.00
Above Upper Level		1%		1%		2%
Exempt if pensionable age reached by beginning of year of assessment						
Official Rate of Interest		4.75%		4.75%		3.00%
Mileage Allowance		40p		40p		45p

WARNING

This Schedule aims to give a brief over-view of the rates and allowances. It cannot be wholly comprehensive and advice must always be sought before action is taken. Adams & Remers LLP