



TAX TABLES 2009/10

# BUDGET 2009

PROFESSIONAL ACCOUNTING SERVICES **FOR YOUR NEEDS**

## INCOME TAX

	09/10	08/09
	£	£
<b>Rates</b>		
10% starting rate band on savings income up to*	2,440	2,320
Basic rate	20%	20%
Higher rate of 40% on income over	37,400	34,800
Dividends for:		
basic rate taxpayers	10%	10%
higher rate taxpayers	32.5%	32.5%
Trusts: standard rate band generally	1,000	1,000
dividends (rate applicable to trusts)	32.5%	32.5%
other income (rate applicable to trusts)	40%	40%
Pre-owned assets tax minimum taxable as income	5,000	5,000

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

### Main Personal Allowances and Reliefs

Personal (basic)	6,475	6,035
Personal (65–74)	9,490	9,030
Personal (75 & over)	9,640	9,180
Married/civil partners (minimum) at 10% <sup>†</sup>	2,670	2,540
Married/civil partners (under 75) at 10% <sup>†</sup>	N/A	6,535
Married/civil partners (75 +) at 10%	6,965	6,625
Age-related reliefs reduced by 50% of income over	22,900	21,800

<sup>†</sup>Where at least one spouse/civil partner was born before 6 April 1935

### Venture Capital Trust at 30%

Maximum investment	200,000	200,000
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### Enterprise Investment Scheme (EIS) at 20%

Maximum investment	500,000	500,000
EIS capital gains re-investment relief		No limit

### Non-domicile Remittance Basis Charge

For adult non-UK domiciliary after UK residence in 7 or more of the previous 9 tax years:	30,000	30,000
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## REGISTERED PENSIONS

	09/10	08/09
Lifetime allowance*	£1,750,000	£1,650,000
Annual allowance	£245,000	£235,000
Special annual allowance	£20,000	N/A
Maximum pension commencement lump sum*	25% of pension benefit value	
Maximum relievable personal contribution	100% relevant UK earnings or £3,600 if greater	
Lifetime allowance charge if excess drawn as cash		55%
if excess drawn as income		25%
Annual allowance charge on excess		40%

\*Subject to transitional protection for excess amount

## INDIVIDUAL SAVINGS ACCOUNTS (ISAs)

Max Investment Component	09/10	08/09
Cash	£3,600 (£5,100*)	£3,600
Stocks & Shares (balance to)	£7,200 (£10,200*)	£7,200

\*From 6 October 2009, higher limits apply only if born before 6 April 1960

## NATIONAL INSURANCE CONTRIBUTIONS

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### Employed

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

	Employee	Employer
NIC rate	11%	12.8%
No NICs on the first	£110 pw	£110 pw
NICs charged at 11%/12.8% up to	£844 pw	No limit
1% NIC on earnings over	£844 pw	N/A
Certain married women	4.85%	12.8%

#### Contracted-Out Rebate

Rebate on	£95.01–£770 pw		
Salary-related scheme	1.6%		3.7%
Money-purchase scheme	1.6%		1.4%
Personal pension		No reduction	

#### Limits and Thresholds

	Weekly	Monthly	Annual
Lower earnings limit	£95	£412	£4,940
Earnings threshold	£110	£476	£5,715
Upper accrual point	£770	£3,337	£40,040
Upper earnings limit	£844	£3,656	£43,875

#### Class 1A Employer

On car and fuel benefits and most other taxable benefits			12.8%
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#### Self-Employed

Class 2 Flat rate	£2.40 pw		£124.80 pa
Small earnings exception			£5,075 pa

#### Class 4 unless over state pension age on 6 April 2009

On profits	£5,715–£43,875 pa		8%
	Over £43,875 pa		1%

#### Voluntary

Class 3 Flat rate	£12.05 pw		£626.60 pa
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## BASIC STATE PENSION

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	Weekly	Annual
Single person	£95.25	£4,953.00
Dependant's addition	£57.05	£2,966.60
Total married pension	£152.30	£7,919.60

#### Pension Credit – standard income guarantee

Single	£130.00	£6,760.00
Married	£198.45	£10,319.40

## STAMP DUTIES

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#### Stamp Duty Land Tax based on consideration

Commercial property £150,000 or less	Nil
Commercial property over £150,000 up to £250,000	1%
Residential property £175,000* or less	Nil
Residential property over £175,000* up to £250,000	1%
All property over £250,000 up to £500,000	3%
All property over £500,000	4%

\*From 1/1/10 £125,000 (or £150,000 for property in disadvantaged areas)

#### Stamp Duty (including Stamp Duty Reserve Tax)

Stocks and marketable securities	0.5%
No charge unless the duty exceeds £5	

## CAPITAL GAINS TAX

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	09/10	08/09
<b>Tax Rate</b>		
Individuals	18%	18%
Trusts and estates	18%	18%
<b>Exemptions</b>		
Individuals, estates, etc	£10,100	£9,600
Trusts generally	£5,050	£4,800
Chattels proceeds ( $\frac{5}{3}$ excess gain is taxable)	£6,000	£6,000
<b>Entrepreneurs' Relief 08–10</b>		
$\frac{4}{9}$ ths of gain (effective tax rate of 10%) Lifetime limit: £1,000,000		
For trading businesses and companies (minimum 5% employee or director shareholding) held for at least one year		

## INHERITANCE TAX

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	09/10	08/09
Nil-rate band*	£325,000	£312,000
Rate of tax on excess	40%	40%
Lifetime transfers to and from certain trusts	20%	20%
Relief for businesses, unlisted and AIM companies, certain farmland/buildings	100%	100%
Relief for certain other business assets	50%	50%
Overseas domiciled spouse/civil partner exemption	£55,000	£55,000
<b>Reduced tax charge on gifts within 7 years of death</b>		
Years before death	0–3    3–4    4–5    5–6    6–7	
% of death tax charge	100    80    60    40    20	
Annual exempt gifts	£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 surviving spouse's/civil partner's death after 8 Oct 2007*

## VALUE ADDED TAX

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Standard rate to 31/12/09	15%
Standard rate from 1/1/10	17.5%
Reduced rate, eg on domestic fuel	5%
Registration level from 1/5/09	£68,000
Flat rate scheme turnover limit	£150,000
Cash and annual accounting turnover limit	£1,350,000

## CORPORATION TAX

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	Effective Rate To	Effective Rate To
Profits £	31/3/10	31/3/09
0–300,000	21%	21%
300,001–1,500,000	29.75%	29.75%
1,500,001 and over	28%	28%

## CARS AND CAR BENEFITS

Taxable amount based on car's list price when new up to £80,000

Charge varies according to CO<sub>2</sub> emissions in grams per kilometre

CO <sub>2</sub> Emissions g/km	Petrol or Pre- 2006 Euro IV diesel engine %	Other diesel engines %	Hybrid petrol/ electric engine %	E85, LPG or dual LPG & petrol %
120 or less	10	13	10	10
121-139	15	18	12	13
140-144	16	19	13	14
145-149	17	20	14	15
150-154	18	21	15	16
155-159	19	22	16	17
160-164	20	23	17	18
165-169	21	24	18	19
170-174	22	25	19	20
175-179	23	26	20	21
180-184	24	27	21	22
185-189	25	28	22	23
190-194	26	29	23	24
195-199	27	30	24	25
200-204	28	31	25	26
205-209	29	32	26	27
210-214	30	33	27	28
215-219	31	34	28	29
220-224	32	35	29	30
225-229	33	35	30	31
230-234	34	35	31	32
235 & over	35	35	32	33

- Euro IV diesel cars registered before 1/1/06 are treated as petrol cars.  
Euro IV diesel cars registered from 2006 are treated as other diesels
- E85, LPG or dual LPG & petrol: The percentage of list price applies to cars manufactured or converted before type approval. The petrol scale applies to LPG/petrol cars converted after type approval but the cost of conversion is disregarded
- Electric-only cars are taxed at 9% of the list price

### Fuel Benefits – taxable amount for private use

Multiply the CO <sub>2</sub> % used for the car benefit by	£16,900
Minimum charge at 10%	£1,690
Maximum charge at 35%	£5,915

### Company Cars – advisory fuel rates from 1/1/09

Engine size	Petrol	Diesel	LPG
1,400cc or less	10p	11p	7p
1,401cc to 2,000cc	12p	11p	9p
Over 2,000cc	17p	14p	12p

### Use of Own Vehicle – tax-free mileage per business mile

<b>Cars</b> Up to 10,000 business miles	40p	<b>Motorcycles</b>	24p
Over 10,000 business miles	25p	<b>Bicycles</b>	20p

## VANS – TAXABLE AMOUNTS FOR PRIVATE USE

Van: £3,000

Fuel: £500

No charge if private use is limited to journeys between home and work



INVESTOR IN PEOPLE

**109 HAGLEY ROAD, BIRMINGHAM B16 8LA**

**TEL: 0121 687 7000 FAX: 0121 687 7001**

**WWW.JAVED.CO.UK MAIL@JAVED.CO.UK**

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