

Income Tax Rates					
	2015/16	Rate	2014/15	Rate	Note
Individuals					
Starting rate	£1 – 5,000	20%	£1 – 2,880	20%	A, B
Basic rate	£5,001 – 31,785	20%	£2,881 – 31,865	20%	B, C
Higher rate	£31,786 – 150,000	40%	£31,866 – 150,000	40%	D
Additional rate	Over £150,000	45%	Over £150,00	45%	E

Trusts					
	2015/16	Rate	2014/15	Rate	Note
Standard rate		20%	£1 – 1,000	20%	B
Trust rate		45%	Over £1,000	45%	E

A Other savings income 0% (2014/15: 10%)

B Dividends: 10% (effective rate with credit 0%)

C Gift aid : basic rate band increased by gross gift

D Dividends: 32.5% (effective rate with credit 25%)

E Dividends: 37.5% (effective rate with credit 30.6%)

Income tax allowances			
	2015/16	2014/15	Note
Basic personal allowance	£10,600	£10,000	A, D
People born 6 April 1938 – 5 April 1948	£10,600	£10,500	A, B
People born after 6 April 1938	£10,660	£10,660	A, B
Married/ civil partners allowance	£8,355	£8,165	C, D
Minimum married/civil partners allowance	£3,220	£3,140	C, D
Married/civil partners transferable allowance	£1,060	N/A	D
Income limit	£27,700	£27,000	
Blind persons	£2,290	£2,230	
Rent a room limit	£4,250	£4,250	

A Reduced by £1 for every £2 of income over £100,000

B Reduced to Basic personal allowance by £1 for every £2 over income limit

C Available to persons born before 6 April 1935. Relief limited to 10%. Reduced to a minimum allowance by £1 for every £2 over income limit. Apply personal allowance reduction first.

D Non-residents may not be entitled to personal allowances, in certain circumstances.

Note: High income child benefit charge: 1% of the benefit per£100 of adjusted net income over

£50,000; 100% of the benefit when adjusted net income is over £60,000

Non domiciled remittance basis		
	2015/16	2014/15
Allowances and rates		
Personal allowance	Nil	Nil
Capital gains tax annual exemption	Nil	Nil
Capital gains tax rate	28%	28%

Remittance basis charge		
	2015/16	2014/15
Unremitted income less than £2,000	Nil	Nil
Resident in at least 7 of previous 9 years	£30,000	£30,000
Resident in at least 12 of the previous 14 years	£50,000	£50,000
Resident in at least 17 of the previous 20 years	£90,000	£50,000

Inheritance Tax			
	2015/16	2014/15	Note
Nil rate band £1 – 325,000	0%	0%	A
Over £325,000	40%	40%	B, C

Main exemptions			
	2015/16	2014/15	Note
Annual gifts per donor	£3,000	Parent	£5,000
Small gifts per donor	£250	Grandparent/ancestor	£2,500
Normal expenditure out of income	Exempt	Other	£1,000

A Nil rate band for estate of surviving spouse is increased by the percentage of the nil rate band

unutilised by the predeceased spouse.

B Some lifetime gifts are taxed at 20%

C Tax rate reduced to 36% where 10% or more of net chargeable estate is left to charity

Pension contributions			
	2015/16	2014/15	Note
Annual allowance	£40,000	£40,000	A
Lifetime allowance	£1.25m	£1.25m	

A Tax relief is given for pension contributions up to the lower of 100% of earnings or the maximum contribution. The maximum contribution is the annual allowance plus unutilised allowances from the previous three years. Up to £3,600 (2014/15 £3,600) may be contributed irrespective of earnings.

Capital gains tax		
	2015/16	2014/15
Annual exemption		
Individuals	£11,100	£11,000
Trusts	£5,550	£5,500
Entrepreneurs relief: Maximum lifetime allowance	£10m	£10m

Individuals and trusts:		
	2015/16	2014/15
Basic and starting rate taxpayers	18%	18%
Higher and additional rate taxpayers	28%	28%
Trusts and personal representatives	28%	28%

Individual Savings Accounts			
	2015/16	2014/15	Note
Cash and shares combined limit	£15,240	£15,000	A
Junior ISA	£4,080	£4,000	A

A Prior to 1st July 2014 the ISA maximum investment limit was £11,850 (of which £5,940 could be cash) and Junior ISAs £3,840

Tax efficient savings and investments			
	2015/16	2014/15	Note
Relief			
Seed enterprise investment scheme (SEIS)	£100,000	£100,000	A
Venture capital trust (VCTs)	£200,000	£200,000	B
Enterprise investment scheme (EIS)	£1m	£1m	B
Social investment tax relief	£1m	£1m	B

A Relief at 50% B Relief at 30%

National Insurance Contributions			
Class 1 (employed contracted in rates)			
Employer		Employee	
Earnings per week	Rate payable	Earnings per week	Rate payable
£0.01 - £153.00	Nil	£0.01 - £155.00	Nil
£156.01 - £815.00	13.8%	£155.01 - £815.00	12%
Over £815.00	13.8%	Over £815.00	2%
Class 1A and 1B (employers only)			
Class 2 (self-employed)	£2.80 per week (Small earnings exception £5,965)		
Class 3 (voluntary)	£14.10 per week		
Class 4 (self-employed)	Profits up to £8,060	0%	
	Profits from £8,060 to £42,385	9%	
	Profits from £42,385 per annum	2%	

Notes: From 2014/15, the first £2,000 of each employer's liability to NIC is relieved. From 6 April 2015, there will be no employers' NIC for employees aged under 21 and from 6 April 2016 for apprentices up to 25, up to the Upper Earnings Limit.

Authorised mileage rates		
		Per mile
Private cars and vans:	First 10,000 miles in the tax year	45p
	Additional miles	25p
	Each qualifying passenger	5p
Motor cycle		24p
Cycle		20p

Company cars and vans	
Cars for directors and employees earning £8,500 per annum or more:	
Car benefit:	Percentage of list price (see below)
Fuel benefit:	Percentage of £22,100 (see below)

Cars registered from 1 January 1998:		
CO ₂ emissions (g/km):	Diesel	Petrol
0 -50	8%	5%
51 - 75	12%	9%
76 -94	16%	13%
Each additional 5	Further 1%	Further 1%
Diesel 195 and over / Petrol 210 and over	37%	37%

Note: From 6 April 16 the £8,500 threshold will be abolished

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Corporation tax			
Taxable profits	2015/16	2014/15	Note
£1 - £300,000	20%	20%	A
£300,001 - £1,500,000	20%	21.25%	A
Over £1,500,000	20%	21%	A

A Thresholds divided by the number of associated companies for 2014/15

Patent Box			
	2015/16	2014/15	Note
Effective rate of tax on qualifying profits	12%	13.3%	A

A Reducing to 10% by 2017/18

Capital allowances			
	2015/16	2014/15	Note
Plant and machinery			
Annual investment allowance	100%	100%	A
Brand new zero-emission goods vehicles	100%	100%	
Long life assets and integral features	8%	8%	B
Other assets	18%	18%	B

First year allowances:

Research and development, Enterprise zone (qualifying zones), Energy-saving technologies including cars, Water efficient technology, Business premises renovation	100%	100%	
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Cars: CO₂ emissions (g/km)

95 or less	100%	
Over 95 to 130	18%	B
Over 130	8%	B
Over ,000 and acquired before 2009/10	18%	C

A From 1 April 2014 to 31 December 2015 maximum £500,000pa.

From 1 January 2016 £25,000pa.

B Reducing balance

C Reducing balance (maximum £3,000). Unclaimed allowances transfer to the main pool in the

accounting period ending on or after 31 March/5 April 2014

Value Added Tax			
	2015/16	Note	
Standard rate	20%		
Reduced rate	5%		
Annual turnover limit for registration	£81,000	A	
Annual/cash accounting entry limit	£1,350,000		
EC Sales List reporting	Nil		
Intrastat reporting			
Arrivals threshold from January 2015	£1,500,000		
Despatches threshold	£250,000		

A Taxable turnover is measured by reference to the last 12 months or the next 30 days

Research and development tax credits			
	2015/16	2014/15	Note
SME enhanced expenditure deduction scheme	130%	125%	A
Large company expenditure enhanced Deduction scheme	30%	30%	B
Large company expenditure credit scheme	11%	10%	B

A Additional (enhanced) tax deduction available for qualifying R&D expenditure

B Expenditure taxable credit available for qualifying R&D expenditure

Property

Stamp Duty Land Tax (SDLT)

Property purchased in England, Wales and Northern Ireland

Residential		Non-residential and mixed	
Band	Rate Payable (incremental)	Band	Rate Payable (slab basis)
£1 - £125,000	Nil	£1 - £150,000	Nil
£125,001 - £250,000	2%	£150,001 - £250,000	1%
£250,001 - £925,000	5%	£250,001 - £500,000	3%
£925,001 - £1,500,000	10%	Above £500,000	4%
Above £1,500,000	12%		
Enveloped properties over £500,000	15%		

Leases: 1% on present value of rents above £125,000 (residential) or £150,000 (non-residential)

Land and buildings transactions tax (LBTT)

Property purchased in Scotland

Residential		Non-residential and mixed	
Band	Rate payable (Incremental)	Band	Rate payable (Incremental)
£1 - £135,000	0%	£1 - £150,000	0%
£135,001 - £250,000	2%	£150,001 - £350,000	3%
£250,001 - £1m	10%	Above £350,000	4.5%
Above £1m	12%		

Leases: 1% on present value of rents above £150,000

Annual Tax on Enveloped Dwellings (ATED)

Residential property value	2015/16	2014/15
Over £1m - £2m	£7,000	N/A
Over £2m - £5m	£23,350	£15,400
Over £5m - £10m	£54,450	£35,900
Over £10m - £20m	£109,050	£71,850
Over £20m	£218,200	£143,750

Note: £500,000 up to £1m property band to be introduced from April 2016. Disposals of ATED property gains are potentially subject to capital gains tax at 28%.

Stamp duty and SDRT: (for stamp duty only consideration over £1,000) 0.5%

Non UK residents: Now subject to capital gains tax on sale of UK residential property.

Tax Facts 2015/16



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