



2017/18

INCOME TAX

Rates	17/18	16/17
Basic rate of 20% on income up to:		
UK (excl. Scotland)	£33,500	£32,000
Scotland	£31,500*	£32,000
Higher rate of 40% on income over:		
UK (excl. Scotland)	£33,500	£32,000
Scotland	£31,500*	£32,000
Additional rate of 45% on income over: all UK	£150,000	£150,000
Starting rate of 0% on savings income up to [†]	£5,000	£5,000
Savings allowance at 0% tax: Basic rate taxpayers	£1,000	£1,000
Higher rate taxpayers	£500	£500
Additional rate taxpayers	£0	£0
Dividend allowance at 0% tax – all individuals	£5,000	£5,000
Tax rate on dividend income:		
Basic rate taxpayers	7.5%	7.5%
Higher rate taxpayers	32.5%	32.5%
Additional rate taxpayers	38.1%	38.1%
Trusts: Standard rate band generally	£1,000	£1,000
Rate applicable to trusts: Dividends	38.1%	38.1%
Other income	45%	45%

*For non-dividend, non-savings income only: otherwise UK (excl. Scotland) band applies.

[†]Not available if taxable non-savings income exceeds the starting rate band.

Child Benefit Charge

1% of benefit per £100 of income between £50,000 and £60,000.

Main Personal Allowances and Reliefs

	17/18	16/17
Personal (basic)	£11,500	£11,000
Personal reduced by £1 for every £2 of net income over	£100,000	£100,000
Marriage/civil partners' transferable allowance	£1,150	£1,100
Married couples/civil partners' allowance at 10%* (if at least one born before 6/4/35) – maximum	£8,445	£8,355
– minimum	£3,260	£3,220
Blind person's allowance	£2,320	£2,290
Rent-a-room tax-free income	£7,500	£7,500

*Reduced by £1 for every £2 of income over £28,000 (£27,700 for 16/17), until minimum reached.

Non-domicile remittance basis charge after UK residence in at least:

7 of the last 9 tax years	£30,000	£30,000
12 of the last 14 tax years	£60,000	£60,000
17 of the last 20 tax years	N/A	£90,000

REGISTERED PENSIONS

	17/18	16/17
Lifetime allowance	£1,000,000	£1,000,000
Annual allowance*	£40,000	£40,000
Money purchase annual allowance	£4,000	£10,000
Annual allowance charge on excess	20%–45%	20%–45%
Max. pension commencement lump sum	25% of pension benefit value	
Lifetime allowance charge if excess drawn as cash	55% / income 25%	

*Subject to 50% taper down to £10,000 if threshold income over £110,000 and adjusted income over £150,000.

NATIONAL INSURANCE CONTRIBUTIONS

Class 1	Employee	Employer	
NIC rate	12%	13.8%	
No NICs on the first – Age under 21/25 for apprentices	£157 pw	£866 pw	
– Age 21/25 & over	£157 pw	£157 pw	
NICs rate charged up to	£866 pw	No limit	
2% NICs on earnings over	£866 pw	N/A	
Certain married women	5.85%	13.8%	
Employment Allowance		£3,000	
Per business – not available if a director is the sole employee.			
Limits and Thresholds	Weekly	Monthly	Annual
Lower earnings limit	£113	£490	£5,876
Primary earnings threshold	£157	£680	£8,164
Secondary earnings threshold	£157	£680	£8,164
Upper earnings limit and upper secondary earnings threshold (under 21 or apprentice under 25)	£866	£3,750	£45,000
Class 1A Employer On car & fuel benefits and most other taxable benefits provided to employees and directors			13.8%
Self-Employed Class 2 Flat rate	£2.85 pw		£148.20 pa
Self-Employed Small profits threshold			£6,025 pa
Self-Employed Class 4 On profits	£8,164–£45,000 pa		9%
	Over £45,000 pa		2%
Class 3 Flat rate	£14.25 pw		£741.00 pa

STATE PENSION

	Weekly	Annual
Single tier*	£159.55	£8,296.60
Basic – Single person†	£122.30	£6,359.60
Basic – Spouse/civil partner†	£73.30	£3,811.60

*State pension age reached after 5/4/16

†State pension age reached before 6/4/16

Pension Credit – standard minimum guarantee

Single	£159.35	£8,286.20
Couple	£243.25	£12,649.00

PROPERTY TRANSACTION TAXES

Residential property value (on slices of value)

UK (excl. Scotland):	%	Scotland: Land and Buildings	%
Stamp Duty Land Tax (SDLT)		Transaction Tax (LBTT)	
Up to £125,000	0	Up to £145,000	0
£125,001–£250,000	2	£145,001–£250,000	2
£250,001–£925,000	5	£250,001–£325,000	5
£925,001–£1,500,000	10	£325,001–£750,000	10
Over £1,500,000	12	Over £750,000	12

Second properties over £40,000 – add 3% to relevant SDLT/LBTT rate

UK properties bought by companies etc over £500,000 –15% on total value

Commercial property value (on slices of value)

UK (excl. Scotland): SDLT	%	Scotland: LBTT	%
Up to £150,000	0	Up to £150,000	0
£150,001–£250,000	2	£150,001–£350,000	3
Over £250,000	5	Over £350,000	4.5

Stamp Duty and SDRT: Stocks and marketable securities 0.5%

No charge to stamp duty unless the duty exceeds £5.

TAX INCENTIVISED INVESTMENT

	17/18	16/17
Individual Savings Account (ISA)	£20,000	£15,240
Junior ISA and Child Trust Fund	£4,128	£4,080
Lifetime ISA	£4,000	N/A
Help to Buy ISA	£1,000 initial and £200 per month	
Venture Capital Trust (VCT) at 30%	£200,000	£200,000
Enterprise Investment Scheme (EIS) at 30%	£1,000,000	£1,000,000
EIS eligible for CGT reinvestment deferral relief	No limit	No limit
Seed EIS (SEIS) at 50%	£100,000	£100,000
SEIS CGT reinvestment relief	50%	50%

CAPITAL GAINS TAX

Tax Rates – Individuals	17/18	16/17
Up to basic rate limit (UK excl. Scotland)	10%	10%
Above basic rate limit (UK excl. Scotland)	20%	20%
Tax Rate – Trusts and Estates	20%	20%
Surcharge for residential property and carried interest	8%	8%
Exemptions		
Individuals, estates, etc	£11,300	£11,100
Trusts generally	£5,650	£5,550
Chattels (gain restricted to 5/3rds of proceeds exceeding limit)	£6,000	£6,000
Entrepreneurs' Relief	10% on lifetime limit of £10,000,000	
For trading businesses and companies (minimum 5% employee/officer shareholding) held for at least one year.		

INHERITANCE TAX

	17/18	16/17
Nil-rate band*	£325,000	£325,000
Residence nil-rate band*	£100,000†	N/A
Rate of tax on excess	40%	40%
Rate if at least 10% of net estate left to charity	36%	36%
Lifetime transfers to and from certain trusts	20%	20%
Overseas domiciled spouse/civil partner exemption	£325,000	£325,000
100% relief: businesses, unlisted AIM companies, certain farmland/buildings		
50% relief: certain other business assets e.g. farmland let before 1/9/95		
Annual exempt gifts of:	£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 survivor's death.

†Subject to 50% taper for estates above £2,000,000.

Tax charge on gifts within 7 years of death

Years before death	0–3	3–4	4–5	5–6	6–7
% of death tax charge	100	80	60	40	20

CORPORATION TAX

	Profits	Diverted Profits
Year to 31/3/18	19%	25%
Year to 31/3/17	20%	25%

Corporation tax at 32.5% on outstanding loans to participants.

VALUE ADDED TAX

Standard rate	20%	Reduced rate, e.g. on domestic fuel	5%
Registration level from 1/4/17			£85,000
Deregistration level from 1/4/17			£83,000
Flat rate scheme turnover limit			£150,000
Cash and annual accounting schemes turnover limit			£1,350,000

CAR BENEFITS

Taxable amount based on car's list price when new.

Charge varies according to CO₂ emissions in grams per kilometre.

CO ₂ emissions g/km	Petrol %	Diesel %	CO ₂ emissions g/km	Petrol %	Diesel %
0–50	9	12	140–144	27	30
51–75	13	16	145–149	28	31
76–94	17	20	150–154	29	32
95–99	18	21	155–159	30	33
100–104	19	22	160–164	31	34
105–109	20	23	165–169	32	35
110–114	21	24	170–174	33	36
115–119	22	25	175–179	34	37
120–124	23	26	180–184	35	37
125–129	24	27	185–189	36	37
130–134	25	28	190 & over	37	37
135–139	26	29			

Fuel Benefit – taxable amount for private use

Multiply the CO₂ percentage charge used for car benefit by £22,600

VANS – FOR PRIVATE USE

	17/18	16/17
Zero emission: chargeable amount	£646	£634
Other vans: chargeable amount	£3,230	£3,170
Fuel: chargeable amount	£610	£598

TAX-FREE BUSINESS MILEAGE ALLOWANCE – OWN VEHICLE

Cars first 10,000 miles:	45p per mile;	thereafter: 25p per mile
Qualifying passenger	5p per mile	
Motorcycles	24p per mile	Bicycles 20p per mile

MAIN CAPITAL AND OTHER ALLOWANCES

Plant & machinery 100% annual investment allowance (1st year):	£200,000
Enterprise zone plant and machinery (Max €125m per investment project)	100%
Plant and machinery (annual reducing balance)	18%
Patent rights and know-how (annual reducing balance)	25%
Certain long-life assets and integral features of buildings (annual reducing balance)	8%
Energy and water-efficient equipment	100%
Electric vans	100%

Motor Cars

CO ₂ emissions of g/km:	75 or less*	76–130	131 or more
Capital allowance:	100% first year	18% pat [†]	8% pat [†]

*New cars only.

[†]Reducing balance.

Research and Development

Capital expenditure	100%
Revenue expenditure relief – small/medium-sized companies	230%
Research and development expenditure credit – large companies	11%

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For information only.

Always seek professional advice before acting.



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