
VANDERPUMP & SYKES

S O L I C I T O R S

SUMMER 2010/11 TAX TABLES



INCOME TAX

Rates	10/11	09/10
Starting rate band of 10% on savings income up to*	£2,440	£2,440
Basic rate of 20% on income up to	£37,400	£37,400
Higher rate of 40% on income	£37,401– £150,000	£37,401 and over
Additional rate of 50% on income over	£150,000	N/A
Dividends for:		
Basic rate taxpayers	10%	10%
Higher rate taxpayers	32.5%	32.5%
Additional rate taxpayers	42.5%	N/A
Trusts: Standard rate band generally	£1,000	£1,000
Rate applicable to trusts: dividends	42.5%	32.5%
other income	50%	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	£6,475
Personal allowance reduced by 50% of income over	£100,000	N/A
Personal (65–74)	£9,490	£9,490
Personal (75 & over)	£9,640	£9,640
Married/civil partners (minimum) at 10% [†]	£2,670	£2,670
Married/civil partners (75 and over) at 10%	£6,965	£6,965
Age-related reliefs, excess over basic relief reduced by 50% of income over	£22,900	£22,900

[†]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	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

	10/11	09/10
Lifetime allowance*	£1,800,000	£1,750,000
Annual allowance	£255,000	£245,000
Special annual allowance where relevant income is £130,000 or more	min. £20,000 max. £30,000	£20,000 £30,000
Special annual allowance charge	20%–30%	20%
Maximum relievable personal contribution	100% of relevant UK earnings or £3,600 if greater	
Maximum pension commencement lump sum*	25% of pension benefit value	
Lifetime allowance charge if excess drawn		as cash 55% as income 25%
Annual allowance charge on excess		40%

*Subject to transitional protection for excess amount

NATIONAL INSURANCE CONTRIBUTIONS

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	£97.01–£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	£97	£421	£5,044
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 2010

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

	Weekly	Annual
Single person	£97.65	£5,077.80
Dependant's addition	£58.50	£3,042.00
Total married pension	£156.15	£8,119.80

Pension Credit – standard minimum guarantee

Single	£132.60	£6,895.20
Couple	£202.40	£10,524.80

STAMP DUTIES

Stamp Duty Land Tax based on consideration from 1/1/2010

Commercial property £150,000 or less	Nil
Commercial property over £150,000 up to £250,000	1%
Residential property £125,000* or less	Nil
Residential property over £125,000* up to £250,000	1%
All property over £250,000 up to £500,000	3%
All property over £500,000	4%

*£150,000 for property in disadvantaged areas. £250,000 for first time buyers where completion is from 25/3/10 to 24/3/12

Stamp Duty (including Stamp Duty Reserve Tax)

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

INDIVIDUAL SAVINGS ACCOUNTS (ISAs)

Components	Maximum Investment	
	10/11	09/10
Cash	£5,100	£3,600 (£5,100*)
Stocks & Shares (balance to)	£10,200	£7,200 (£10,200*)

**Born before 6 April 1960*

CAPITAL GAINS TAX

Tax Rate – Individuals	10/11	09/10
To 22/6/10	18%	18%
From 23/6/10 taxable income and post 22/6/10 gains		
To £37,400	18%	–
From £37,400	28%	–
Tax Rate – Trusts and Estates		
To 22/6/10	18%	18%
From 23/6/10	28%	–
Exemptions		
Individuals, estates, etc	£10,100	£10,100
Trusts generally	£5,050	£5,050
Chattels proceeds (restricted to $\frac{5}{3}$ proceeds exceeding limit)	£6,000	£6,000
Entrepreneurs' Relief – gains taxed at 10%		
Lifetime limit to 22/6/10	£2,000,000	£1,000,000
Lifetime limit from 23/6/10	£5,000,000	–
For trading businesses and companies (minimum 5% employee or director shareholding) held for at least one year		

INHERITANCE TAX

	10/11	09/10			
Nil-rate band*	£325,000	£325,000			
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%			
Exemption for overseas domiciled spouse/civil partner	£55,000	£55,000			
Reduced 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
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*

CORPORATION TAX

Profits	Effective Rate To 31/3/11	Effective Rate To 31/3/10
£0–£300,000	21%	21%
£300,001–£1,500,000	29.75%	29.75%
£1,500,001 and over	28%	28%

VANDERPUMP & SYKES

S O L I C I T O R S

Lough Point,
2 Gladbeck Way (off Windmill Hill),
Enfield,
Middlesex,
EN2 7JA

Freephone: 0800 731 6124

www.vanderpumpandsykes.co.uk