

Budget 2016

Rates & Allowances Tables



Rates and Allowances

Personal Tax

	2016/2017	2015/2016
Personal Allowance		
Born after 5 April 1948 (Note 1)	£11,000	£10,600
Born after 5 April 1938 but before 6 April 1948	£11,000	£10,600
Born before 6 April 1938	£11,000	£10,660
Married Couples Allowance (10% Relief)		
Elder spouse born before 6 April 1935	£8,355	£8,355
Age allowance income limit (born before 6 April 1948)	£27,700	£27,700
Minimum allowance where income exceeds limit	£3,220	£3,220
Blind Person's Allowance	£2,290	£2,290

Note 1: Personal allowance will be removed at a rate of £1 of the allowance for every £2 over £100,000 until it is completely removed.

Income Tax

	2016/2017	2015/2016
Starting savings rate (savings income only)	0%	0%
on taxable income up to	£5,000	£5,000
Basic Rate	20%	20%
On taxable income from starting rate limit up to	£32,000	£31,785
Higher Rate	40%	40%
on taxable income between	£32,001 - £150,000	£31,786 - £150,000
Additional Rate	45%	45%
on taxable income over	£150,000	£150,000

	2016/2017	2015/2016
Dividends		
Exempt Amount	first £5,000	-
Basic Rate	7.5%	10%
On taxable income from starting rate limit up to	£32,000	£31,785
Higher rate	32.5%	32.5%
On taxable income between	£32,001 - £150,000	£31,786 - £150,000
Additional Rate	38.1%	37.5%
On taxable income over	£150,000	£150,000

Corporation Tax

	FY to 31/03/2017	FY to 31/03/2016
All companies	20%	20%
- rate limit	£300,000	£300,000
- marginal relief limit	£1,500,000	£1,500,000
- marginal rate	20%	20%

Inheritance Tax

	Transfers after 05/04/2016	Transfers after 05/04/2015
Threshold	£325,000	£325,000
Death Rate	40%*	40%*

*A lower rate of 36% will be charged where at least 10% of the estate has been left to a charity.

Capital Gains Tax

	2016/2017	2015/2016
Annual Allowance	£11,100	£11,100
Standard Rate	10%	18%
Higher Rate	20%	28%
Entrepreneurs' Relief effective rate	10%	10%
Entrepreneurs' Relief lifetime limit of gains	£10,000,000	£10,000,000

VAT

	2016/2017
Lower Rate	5%
Standard Rate	20%
Registration threshold	£83,000
Deregistration threshold	£81,000

Stamp Duty Land Tax (SDLT)

The rates below apply to acquisitions of chargeable interests in land including leases:

Relevant Consideration (£) - residential	Rate %	Additional Property Rate %
0 - £125,000	0	3
£125,001 - £250,000	2	5
£250,001 - £925,000	5	8
£925,001 - £1,500,000	10	13
Over £1,500,000	12	15

Relevant Consideration (£) - non-residential	Rate %
0 - £150,000	0
£150,001 - £250,000	2
Over £250,000	5

Net Present Value of Lease Payments (£) - non-residential	Rate %
0 - £150,000	0
£150,001 - £5,000,000	1
Over £5,000,000	2

Stamp Duty

Transfer of Shares & Marketable Securities 0.5%

National Insurance Contributions

Class 1: Employed Earners	
Weekly Earnings Employee	
Earnings up to £155.00	Nil
Earnings between £155.01 and £827.00	12%
Earnings over £827	2%
Employer	
Earnings up to £156.00	Nil
Earnings over £156	13.8%

The reduced rate payable by women married before 6 April 1977 will be 5.85% on earnings between £156 and £827.00 a week, plus 2% on earnings above £827.00 a week. Employers can also benefit from rebate of 3.4% for salary related schemes on earnings between £112.00 and £155.00 per week.

A rebate is also available of 1.4% for salary related schemes on earnings from £112.00 to £155.00 per week to employees (employers may also benefit if insufficient contributions have been paid).

Class 2: Self Employed Persons

£2.80 weekly contribution

A Certificate of Exception will be available where annual earnings are expected to be less than £5,965.

Class 3: Voluntary Contributions

£14.10 weekly contribution.

Class 4: Self Employed Persons

9% on earnings between £8,060 and £43,000, plus 2% on earnings above £43,000.

Income Tax Reliefs and Incentives

	2016/2017	Income Tax Relief
Enterprise Investment Scheme (EIS)*	£1,000,000	30%
Seed Enterprise Investment Scheme (SEIS)	£100,000	50%
Higher Rate	£200,000	30%

Individual Savings Account (ISA)

- Total Investment (maximum)	£15,240
- Stock and Shares Component (maximum)	£15,240
- Cash Component (maximum)	£4,080
- Junior Individual Savings Account (maximum per child)	£4,080

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Pensions

	2016/2017	2015/2016
Annual Allowance	£40,000	£40,000
Lifetime Allowance	£1,000,000	£1,250,000

Taxable Car and Fuel Benefits

The taxable car benefit for 2016/2017 is calculated as a percentage of the car's list price based on carbon dioxide (CO²) emissions as follows:

CO ²	Petrol (%)	Diesel (%)
0g/km	7	10
less than 50g/km	7	12
51-75g/km	11	16
76-94g/km	1	1
Maximum benefit where CO ₂ at least 200g/km	37	37

Fuel benefit for cars is calculated by applying the relevant car CO² emissions percentage to £22,200.

The private use of vans attracts a scale charge of £3,170 p.a.

Taxable fuel benefit from private use of a company van is £598 for 2016/2017.

The appropriate percentage for electric cars for the purposes of company car tax is 7%.

Approved Milage Rates for Employee Use of Own Vehicles for Business Travel

Cars / Vans	
First 10,000 Business Miles p.a.	45p
Excess over 10,000 Miles	25p
Each Passenger Making Same Trip	5p
Motor Cycles	24p
Bicycles	20p

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