

N&G

Tax Tables
2008/09

PRIVATE CLIENT



INCOME TAX

	08/09	07/08
Rates	£	£
Starting rate of 10% on first	2,320*	2,230
Income to which starting rate applies	Savings	All
Basic rate on earned and property income	20%	22%
Basic rate on savings income	20%	20%
Higher rate of 40% on income over	34,800	34,600
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 (£5,000 minimum taxable)	As income	

*Only applicable where taxable non-savings income is under £2,320

Main Personal Allowances and Reliefs

Personal (basic)	6,035	5,225
Personal (65–74)	9,030	7,550
Personal (75 & over)	9,180	7,690
Married/civil partners (minimum) at 10% [†]	2,540	2,440
Married/civil partners (under 75) at 10% [†]	6,535	6,285
Married/civil partners (75 +) at 10%	6,625	6,365
Age-related reliefs reduced by 50% of income over	21,800	20,900

[†]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	400,000
EIS capital gains re-investment relief		No limit

Non-domicile Charge

Charge for adult non-UK domiciliary after UK residence in 7 or more of the previous 9 tax years:	£30,000	–
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REGISTERED PENSIONS

	08/09	07/08
Lifetime allowance*	£1,650,000	£1,600,000
Annual allowance	£235,000	£225,000
Lifetime allowance charge	55% if excess drawn as cash 25% if excess drawn as income	
Annual allowance charge		40% of excess
Maximum pension commencement lump sum*		25% of pension benefit value
Maximum relievable personal contribution		100% relevant UK earnings or £3,600 if greater

*Subject to transitional protection for excess amount

INDIVIDUAL SAVINGS ACCOUNTS (ISAs)

Maximum Investment	08/09	07/08	
Component		Mini-ISA	Maxi-ISA
Cash	£3,600	£3,000	£3,000
Stocks & Shares	balance to £7,200	£4,000	balance to £7,000

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	£105 pw	£105 pw
NICs charged at 11%/12.8% up to	£770 pw	No limit
1% NIC on earnings over	£770 pw	N/A
Certain married women	4.85%	12.8%

Contracted-Out Rebate

Rebate on	£90.01–£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	90	390	4,680
NICs start	105	453	5,435
Upper earnings limit	770	3,337	40,040

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	£2.30 pw	£119.60 pa
if earnings over		£4,825 pa

Class 4 unless over state pension age on 6 April

On profits	£5,435–£40,040 pa	8%
	Over £40,040 pa	1%

Voluntary

Class 3 Flat rate	£8.10 pw	£421.20 pa
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BASIC STATE PENSION

	Weekly	Annual
Single person	£90.70	£4,716.40
Dependant's addition	£54.35	£2,826.20
Total married pension	£145.05	£7,542.60

Pension Credit – standard income guarantee

Single	£124.05	£6,450.60
Married	£189.35	£9,846.20

STAMP DUTIES

Stamp Duty Land Tax

Consideration is £125,000 or less (<i>£150,000 for residential properties in disadvantaged areas and all non-residential properties</i>)	Nil
Consideration is over £125,000 and up to £250,000	1%
Consideration is over £250,000 and up to £500,000	3%
Consideration is over £500,000	4%

Stamp Duty (including Stamp Duty Reserve Tax)

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

CAPITAL GAINS TAX

	08/09	07/08
Tax Rate		
Individuals	18%	10, 20 or 40%
Trusts and estates	18%	40%
Exemptions	£	£
Individuals, estates, etc	9,600	9,200
Trusts generally	4,800	4,600
Chattels proceeds (⁵ / ₃ excess gain is taxable)	6,000	6,000

Entrepreneur's Relief 08/09

⁴/₉ths of gain (effective tax rate of 10%) Lifetime limit: £1,000,000
For trading businesses and companies (minimum 5% employee/director shareholding) held for at least one year

Taper Relief 07/08 Percentage of gain is chargeable

Years owned	1	2	3	4	5	6	7	8	9	10
Business assets	50	25	25	25	25	25	25	25	25	25
Other assets*	100	100	95	90	85	80	75	70	65	60

*One year's extra relief for other assets owned before 17/3/98

INHERITANCE TAX

	08/09	07/08
Nil-rate band*	£312,000	£300,000
Rate of tax on excess	40%	40%
Lifetime transfers to and from certain trusts	20%	20%
Overseas domiciled spouse/civil partner exemption	£55,000	£55,000
Relief for businesses, unlisted and AIM companies, certain farmland/buildings	100%	100%
Relief for certain other business assets	50%	50%

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 2007

VALUE ADDED TAX

Standard rate	17.5%
Reduced rate, eg on domestic fuel	5%
Registration level from 1/4/08	£67,000
Flat rate scheme turnover limit	£150,000
Cash and annual accounting turnover limit	£1,350,000

CORPORATION TAX

Profits £	Effective Rate To 31/3/09	Effective Rate To 31/3/08
0-300,000	21%	20%
300,001-1,500,000	29.75%	32.5%
1,500,001 and over	28%	30%

CARS AND CAR BENEFITS 08/09

Taxable amount based on car's list price when new up to £80,000
Charge varies according to CO₂ emissions in grams per kilometre

CO ₂ 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

The exact CO₂ figure is rounded down to the lower 5g/km for cars with emissions of 125g/km or more.

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.

*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 ₂ % used for the car benefit by	£
Minimum charge at 10%	16,900
Maximum charge at 35%	1,690
	5,915

Company Cars – advisory fuel rates from 1/1/08

Engine size	Petrol	Diesel	LPG
1,400cc or less	11p	11p	7p
1,401cc to 2,000cc	13p	11p	8p
Over 2,000cc	19p	14p	11p

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

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

VANS – TAXABLE AMOUNTS FOR PRIVATE USE 08/09

Van: £3,000

Fuel: £500

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

USEFUL RATES

Per week unless stated otherwise

Attendance Allowance

Higher rate	£67.00
Lower rate	£44.85

Carer's Allowance

£50.55

Incapacity Benefit – under state pension age

Short-term lower rate	£63.75
Short-term higher rate	£75.40
Long-term basic rate	£84.50

Statutory Pay Rates

Average weekly pay £90 or over

Sick (SSP) – standard rate £75.40

Maternity (SMP)

First 6 weeks – 90% of average weekly pay

Next 33 weeks – 90% of average weekly pay subject to a maximum of £117.18

Paternity (SPP) – one week or fortnight

90% of average weekly pay subject to a maximum of £117.18

Adoption (SAP) – 26 weeks

90% of average weekly pay subject to a maximum of £117.18

Jobseeker's Allowance – contribution based

Person aged under 25	£47.95
Person aged 25 or over	£60.50

National Minimum Wage

	1/10/07-30/9/08	from 1/10/08
Person aged 22 or over	£5.52 per hour	£5.73 per hour

MAIN DUE DATES FOR TAX PAYMENTS

Income Tax and Capital Gains Tax – Self-Assessment

31 Jan in tax year	} • Normally 50% of previous year's income tax, less tax deducted at source
Following 31 July	
Following 31 Jan	

Inheritance Tax

Death:	normally 6 months after month of death
Lifetime transfer 6 April–30 September:	30 April in following year
Lifetime transfer 1 October–5 April:	6 months after month of transfer

Corporation Tax

Small and medium-sized companies: 9 months after accounting period

Large companies (those paying tax at 28%/30%): Quarterly instalments normally payable in 7th, 10th, 13th, 16th months after the start of the accounting period.

Growing companies avoid instalments where profits are £10m or less and the company was not large for the previous year

2008 CALENDAR

	January	February	March
Monday	7 14 21 28	4 11 18 25	3 10 17 24 31
Tuesday	1 8 15 22 29	5 12 19 26	4 11 18 25
Wednesday	2 9 16 23 30	6 13 20 27	5 12 19 26
Thursday	3 10 17 24 31	7 14 21 28	6 13 20 27
Friday	4 11 18 25	1 8 15 22 29	7 14 21 28
Saturday	5 12 19 26	2 9 16 23	1 8 15 22 29
Sunday	6 13 20 27	3 10 17 24	2 9 16 23 30
	April	May	June
Monday	7 14 21 28	5 12 19 26	2 9 16 23 30
Tuesday	1 8 15 22 29	6 13 20 27	3 10 17 24
Wednesday	2 9 16 23 30	7 14 21 28	4 11 18 25
Thursday	3 10 17 24	1 8 15 22 29	5 12 19 26
Friday	4 11 18 25	2 9 16 23 30	6 13 20 27
Saturday	5 12 19 26	3 10 17 24 31	7 14 21 28
Sunday	6 13 20 27	4 11 18 25	1 8 15 22 29
	July	August	September
Monday	7 14 21 28	4 11 18 25	1 8 15 22 29
Tuesday	1 8 15 22 29	5 12 19 26	2 9 16 23 30
Wednesday	2 9 16 23 30	6 13 20 27	3 10 17 24
Thursday	3 10 17 24 31	7 14 21 28	4 11 18 25
Friday	4 11 18 25	1 8 15 22 29	5 12 19 26
Saturday	5 12 19 26	2 9 16 23 30	6 13 20 27
Sunday	6 13 20 27	3 10 17 24 31	7 14 21 28
	October	November	December
Monday	6 13 20 27	3 10 17 24	1 8 15 22 29
Tuesday	7 14 21 28	4 11 18 25	2 9 16 23 30
Wednesday	1 8 15 22 29	5 12 19 26	3 10 17 24 31
Thursday	2 9 16 23 30	6 13 20 27	4 11 18 25
Friday	3 10 17 24 31	7 14 21 28	5 12 19 26
Saturday	4 11 18 25	1 8 15 22 29	6 13 20 27
Sunday	5 12 19 26	2 9 16 23 30	7 14 21 28

2009 CALENDAR

	January	February	March
Monday	5 12 19 26	2 9 16 23	2 9 16 23 30
Tuesday	6 13 20 27	3 10 17 24	3 10 17 24 31
Wednesday	7 14 21 28	4 11 18 25	4 11 18 25
Thursday	1 8 15 22 29	5 12 19 26	5 12 19 26
Friday	2 9 16 23 30	6 13 20 27	6 13 20 27
Saturday	3 10 17 24 31	7 14 21 28	7 14 21 28
Sunday	4 11 18 25	1 8 15 22	1 8 15 22 29

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Newton & Garner Investment & Pensions Ltd

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