

INCOME TAX RATES

2013/14		2012/13	
Band £	Rate %	Band £	Rate %
0-2,790	10*	0-2,710	10*
0-32,010	20**	0-34,370	20**
32,011-150,000	40***	34,371-150,000	40***
Over 150,000	45****	Over 150,000	45****

* Only applicable to dividends & savings income. 10% rate is not available if taxable non-savings income exceeds £2,790 (£2,710)
 ** Except dividends (10%)
 *** Except dividends (32.5%)
 **** Except dividends (37.5%) for 2013/14 and 42.5% for 2012/13)
 Other income taxed first, then savings income and finally dividends.

INCOME TAX RELIEFS

Personal Allowance: 2013/14 2012/13

• Born after 5 April 1948 / under 65	£9,440	£8,105
• Born after 5 April 1938 & before 6 April 1948* / 65-74	£10,500	£10,500
• Born before 6 April 1938* / 75 & over*	£10,660	£10,660
Reduce personal allowance by £1 for every £2 of adjusted net income over £10,000		
Married Couple's allowance (relief at 10%)*	£7,915	£7,705
Either partner 75 or over and born before 6 April 1935		
• Min. Amount	£3,040	£2,960
*Age allowance income limit	£26,100	£25,400

Reduce age allowance by £1 for every £2 of adjusted net income >£26,100 (£25,400)

Blind person's allowance	£2,160	£2,100
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ISA's

	2013/14	2012/13
Overall annual investment limit	£11,520	£11,280
- cash up to	£5,760	£5,640
- balance in stocks & shares	£11,520	£11,280
- junior ISA & child trust fund	£3,720	£3,600

VAT

Standard rate	20%
Reduced rate	5%
Annual Registration Limit - from 1.4.13	£79,000
(1.4.12 - 31.3.13 £77,000)	
Annual Deregistration Limit - from 1.4.13	£77,000
(1.4.12 - 31.3.13 £75,000)	

KEY DATES

31Jul13 2nd payment on account for 12/13

5Oct13 Notify HMRC of new sources of income (inc new Child Benefit charge) if no tax return issued for 12/13.

31Oct13 Submission of 12/13 paper returns.

31Jan14 Online tax return for 12/13. 1st payment on account for 13/14. Balancing payments due for 12/13.

CAR, VAN AND FUEL BENEFITS

CO ₂ emissions (gm/km) (round down to nearest 5gm/km)	% of car's list price taxed
up to 94	10
95	11
100	12
105	13
110	14
115	15
120	16
125	17
130	18
135	19
140	20
145	21
150	22
155	23
160	24
165	25
170	26
175	27
180	28
185	29
190	30
195	31
200	32
205	33
210	34
215+	35

Company Cars:

- For diesel cars add a 3% supplement but maximum still 35%.
- 0% rate applies to cars which can't emit CO₂, when driven.
- 5% rate applies to cars with emissions not exceeding 75gm/km when driven. Diesel supplement can apply to 75gm/km cars.
- Cars registered before 1 Jan 1998 the charge is based on engine size.
- List price includes accessories and is not subject to an upper limit.
- List price reduced for capital contributions made by employee up to £5,000
- Special rules may apply to cars provided for disabled employees.

Car Fuel Benefit 13/14

£21,000 x 'appropriate %'

*Percentage used to calculate the taxable benefit of the car for which fuel is provided.
 Charge does not apply to certain environmentally friendly cars. Charge proportionally reduced if provision of private fuel ceases part way through year. Fuel benefit reduced to nil only if the employee pays for all private fuel

Van Benefit per Vehicle 13/14

Benefit: Van £3,000, Fuel £564
 Charge does not apply to vans which can't emit CO₂ when driven or if a 'restricted private use condition' is met throughout the year

MILEAGE ALLOWANCE PAYMENTS

2013/14 and 2012/13

Car and vans Rate per mile

Up to 10,000 miles	45p	Maximum tax free mileage
Over 10,000 miles	25p	allowances for employees using
Bicycles	20p	their own vehicles for business.
Motorcycles	24p	

Excess is taxable. If the employee receives less than the statutory rate, tax relief can be claimed on the difference.

CORPORATION TAX

Effective rate to Profits	Year to 31/3/14	Year to 31/3/13
£0 - 300,000	20%	20%
£300,001 - 1,500,000	23.75%	25%
£1,500,000+	23%	24%
Standard fraction	3/400	1/100

The profit limits are reduced for accounting periods of less than 12 months and for a company with associated companies.

CAPITAL ALLOWANCES

Plant & machinery Annual Investment Allowance AIA

AIA gives 100% write-off on most types of plant and machinery costs, including integral features and long life assets but not cars, of up to £250,000 pa for expenditure incurred on or after 1 January 2013 (£25,000 for expenditure incurred on or after 6 April 2012 (1 April 2012 for companies)). Special rules apply to accounting periods straddling these dates.

Any costs over the AIA fall into the normal capital allowance pools below. The AIA may need to be shared between certain businesses under common ownership.

Other plant and machinery allowances: The annual rate of allowance is 18%. An 8% rate applies to expenditure incurred on integral features and on long life assets.

A 100% first year allowance may be available on certain energy efficient plant and cars, including expenditure incurred on new and unused zero emission goods vehicles.

Cars: For expenditure incurred on cars, costs are generally allocated to one of the two plant and machinery pools. For expenditure incurred on or after 6 April 2013 (1 April 2013 for companies) cars with CO₂ emissions not exceeding 130gm/km (previously 160gm/km) receive an 18% allowance pa cars with CO₂ emissions over 130gm/km (160gm/km) receive an 8% allowance pa.

CAPITAL GAINS TAX

Individuals	2013/14	2012/13
Exemption	£10,900	£10,600
Standard rate	18%	18%
Higher rate (higher & additional rate taxpayers)	28%	28%
Trusts		
Exemption	£5,450	£5,300
Rate	28%	28%

Entrepreneurs' relief: For disposals on or after 6Apr11 the 1st £10m (£5m for disposals on or after 23Jun10 and before 6Apr11) of qualifying gains are charged at 10%. Gains in excess of the limit are charged at the rates above.

INHERITANCE TAX

Death Rate %	Lifetime Rate %	Chargeable transfers 13/14 & 12/13 £'000
Nil	Nil	0 - 325*
40	20	Over 325*

* Potentially increased for surviving spouses or civil partners who die on or after 9 October 2007.

Reliefs

Annual exemption	£3,000	Marriage	
Small gifts	£250	- parent	£5,000
		- grandparent	£2,500
		- bride/groom	£2,500
		- other	£1,000

Reduced charge on gifts within 7 years of death

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

STAMP TAXES

Rate payable on full consideration paid	Stamp duty land tax UK land transactions	
	Residential	Non Residential or Mixed use
Nil	£0 - £125K	£0 - £150K
1%	£125,001 - £250k	£150,001 - £250k
3%	£250,001 - £500k	£250,001 - £500k
4%	£500,001 - £1m	£500,001+
5%	£1,00,001 - £2m	n/a
7%	Above £2m	n/a

Stamp duty and SDRT: Transfer of shares 0.5%, no charge to stamp duty unless amount due exceeds £5.

NATIONAL INSURANCE

2013/14 Class 1 (employed) contracted in rates

Employee		Employer	
Earnings per week	%	Earnings per week	%
Up to £149	Nil*	Up to £148	Nil
£149.01 - £797	12	Over £148	13.8
Over £797	2		

* Entitlement to contribution-based benefits retained for earnings before £109 and £149 per week.

- Class 1 A (employers)** 13.8% on employee taxable benefits
Class 1 B (employers) 13.8% on PAYE Settlement Agreements
Class 2 (self employed) flat rate per week £2.70
 small earnings exception £5,725 pa
 flat rate per week £13.55
Class 3 (voluntary) 9% on profits between £7,755 & £41,450
Class 4 (self-employed) plus 2% on profits over £41,450

MAIN SOCIAL SECURITY BENEFITS

Weekly benefit		2013/14	2012/13
Basic retirement pension	- single person	£110.15	£107.45
	- married couple	£176.15	£171.85
Statutory pay rates - average weekly earnings £109 (£107) or over			
Statutory Sick Pay		£86.70	£85.85
Statutory Maternity Pay		90% of weekly earnings	
	First six weeks		
	Next 33 weeks	£136.78*	£135.45*
Statutory Paternity Pay - 2 weeks		£136.78*	£135.45*
Statutory Adoption Pay - 39 weeks		£136.78*	£135.45*

*Or 90% of weekly earnings if lower.

Additional Paternity Pay and Leave may be available for a child due or adoptions matched on or after 3rd April 2011.

Rates are for guidance only. No responsibility for loss occasioned by any person acting / refraining from action as a result of this information be accepted by the authors or the firm.

"I qualified as a chartered accountant with Ernst & Young LLP, Birmingham, in 2003 and set up Oscroft & Co Ltd in 2007. I provide Accountancy, Bookkeeping, Tax services, business process reviews and training. Every client is different so my services are tailored to your needs, so you get what you need when you need it.

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Charlotte Pook CA

Keeping your accounts
straight forward...

TAX CARD 2013/2014

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