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Tax Tables 2009/10

EMPLOYEE SHARE SCHEMES LIMITS

08-10

| | | |
|--|-------------------------|----------|
| Share incentive plans | Employer contributions | £3,000 |
| | Employer matching (2:1) | £3,000 |
| | Employee | £1,500 |
| Enterprise management incentive option value | | £120,000 |
| Approved share option schemes option value | | £30,000 |
| Savings-related share options per month | | £250 |

CAR BENEFIT FOR EMPLOYEES

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 g/km | % of price 08-10 | CO ₂ g/km | % of price 08-10 | CO ₂ g/km | % of price 08-10 |
|-------------------------|---------------------|-------------------------|---------------------|-------------------------|---------------------|
| 120 or less | 10 | 170-4 | 22 | 210-4 | 30 |
| 121-139 | 15 | 175-9 | 23 | 215-9 | 31 |
| 140-4 | 16 | 180-4 | 24 | 220-4 | 32 |
| 145-9 | 17 | 185-9 | 25 | 225-9 | 33 |
| 150-4 | 18 | 190-4 | 26 | 230-4 | 34 |
| 155-9 | 19 | 195-9 | 27 | 235 & over | 35 |
| 160-4 | 20 | 200-4 | 28 | | |
| 165-9 | 21 | 205-9 | 29 | | |

Further reductions may apply for LPG, bi-fuel, E85 hybrid and electric cars

Diesels not meeting Euro IV or registered after 31 December 2005:

add 3% subject to maximum charge of 35%

| | | |
|-------------------------------|--------------|--------------|
| Vans – for private use | 09-10 | 08-09 |
| Chargeable amount | £3,000 | £3,000 |

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

FUEL BENEFIT

| | | |
|--|--------------|--------------|
| | 09-10 | 08-09 |
| Multiply the CO ₂ % used for the car benefit by | £16,900 | £16,900 |
| Vans – flat charge | £500 | £500 |

COMPANY CARS – ADVISORY FUEL RATES from 1/1/09

| Engine size | Petrol | Diesel | LPG |
|--------------------|--------|--------|-----|
| 1,400cc or less | 10p | 11p | 7p |
| 1,401cc to 2,000cc | 12p | 11p | 9p |
| Over 2,000cc | 17p | 14p | 12p |

TAX-FREE MILEAGE ALLOWANCE – OWN VEHICLE 08-10

| | | | |
|-------------|----------------------------------|--------------------|-----------------------|
| Cars | Up to 10,000 business miles: 40p | Motorcycles | 24p per business mile |
| | Over 10,000 business miles: 25p | Bicycles | 20p per business mile |

NATIONAL INSURANCE CONTRIBUTIONS

Class 1 Employee Not Contracted-Out of State Second Pension (S2P)

| | 09-10 | | 08-09 | |
|-------------------------|----------|----------|----------|----------|
| | Employee | Employer | Employee | Employer |
| NIC rate | 11% | 12.8% | 11% | 12.8% |
| No NICs on the first | £110 pw | £110 pw | £105 pw | £105 pw |
| NICs charged up to | £844 pw | No limit | £770 pw | No limit |
| 1% NIC on earnings over | £844 pw | N/A | £770 pw | N/A |
| Certain married women | 4.85% | 12.8% | 4.85% | 12.8% |

Contracted-Out Rebate

| | | | | |
|-----------------------|----------------|------|----------------|------|
| Rebate on | £95.01–£770 pw | | £90.01–£770 pw | |
| Salary-related scheme | 1.6% | 3.7% | 1.6% | 3.7% |
| Money-purchase scheme | 1.6% | 1.4% | 1.6% | 1.4% |
| Personal Pension | No reduction | | No reduction | |

Class 1A Employer 08-10 on car fuel benefits & most other taxable benefits: 12.8%

| Limits and Thresholds | 09-10 | | | 08-09 | | |
|-----------------------|--------|---------|---------|--------|---------|---------|
| | Weekly | Monthly | Annual | Weekly | Monthly | Annual |
| Lower earnings limit | £95 | £412 | £4,940 | £90 | £390 | £4,680 |
| Earnings threshold | £110 | £476 | £5,715 | £105 | £453 | £5,435 |
| Upper accrual point | £770 | £3,337 | £40,040 | N/A | N/A | N/A |
| Upper earnings limit | £844 | £3,656 | £43,875 | £770 | £3,337 | £40,040 |

Self-Employed

| | 09-10 | | 08-09 | |
|--------------------------|-----------------------|------------|-----------------------|------------|
| Class 2 Flat rate | £2.40 pw | £124.80 pa | £2.30 pw | £119.60 pa |
| Small earnings exception | £5,075 pa | | £4,825 pa | |
| Class 4* | | | | |
| On profits: | £5,715–£43,875 pa: 8% | | £5,435–£40,040 pa: 8% | |
| | Over £43,875 pa: 1% | | Over £40,040 pa: 1% | |

Voluntary

| | | | | |
|-------------------|-----------|------------|----------|------------|
| Class 3 Flat rate | £12.05 pw | £626.60 pa | £8.10 pw | £421.20 pa |
|-------------------|-----------|------------|----------|------------|

* Unless over state pension age on 6 April

BASIC STATE PENSION

| | 09-10 | | 08-09 | |
|-----------------------|---------|-----------|---------|-----------|
| | Weekly | Annual | Weekly | Annual |
| Single person | £95.25 | £4,953.00 | £90.70 | £4,716.40 |
| Dependant's addition | £57.05 | £2,966.60 | £54.35 | £2,826.20 |
| Total married pension | £152.30 | £7,919.60 | £145.05 | £7,542.60 |

Pension Credit – Standard Income Guarantee (09-10)

| | | |
|--|--------------------|---------------------|
| | Single: £130.00 pw | Married: £198.45 pw |
|--|--------------------|---------------------|

CHILD TRUST FUND

| | | | |
|--|------|---------------------|--------|
| Endowment: Initial and at age 7 | £250 | Low income families | £500 |
| Annual contributions from family and friends up to | | | £1,200 |

Children born after 31 August 2002

INDIVIDUAL SAVINGS ACCOUNTS (ISAs)

| Maximum Investment Component | 09-10 | 08-09 |
|------------------------------|-------------------|--------|
| Cash | £3,600 (£5,100*) | £3,600 |
| Stocks & Shares (balance to) | £7,200 (£10,200*) | £7,200 |

* From 6 October 2009, higher limits apply only if born before 6 April 1960

INHERITANCE TAX

| | 09-10 | 08-09 |
|---|----------|----------|
| Nil-rate band* | £325,000 | £312,000 |
| 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 |
| 100% relief: businesses, unlisted/AIM companies, certain farmland/buildings | | |
| 50% relief: certain other business assets | | |

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

CAPITAL GAINS TAX

| Exemptions | 09-10 | 08-09 |
|---|---------|--------|
| Individuals, estates, etc | £10,100 | £9,600 |
| Trusts generally | £5,050 | £4,800 |
| Chattels proceeds ($\frac{5}{3}$ excess gain is taxable) | £6,000 | £6,000 |
| Rates | | |
| Individuals | 18% | 18% |
| Trusts and estates | 18% | 18% |

Entrepreneurs' Relief 08-10

$\frac{4}{9}$ ths of gain (effective tax rate of 10%). Lifetime limit: £1,000,000

For trading businesses & companies (min. 5% employee shareholding) held for 1 yr+

STAMP DUTY LAND TAX based on consideration

| Residential | Commercial | Rate |
|-------------------------------|------------------------------|------|
| £175,000* or less | £150,000 or less | Nil |
| Over £175,000* up to £250,000 | Over £150,000 up to £250,000 | 1% |
| Over £250,000 up to £500,000 | Over £250,000 up to £500,000 | 3% |
| Over £500,000 | Over £500,000 | 4% |

* From 1/1/10: £125,000 (or £150,000 for property in disadvantaged areas)

Stamp Duty (including SDRT): stocks and marketable securities 0.5%

No charge unless the duty exceeds £5

CORPORATION TAX

| Profits £ | Effective rate to 31/3/10 | Effective rate to 31/3/09 |
|--------------------|------------------------------|------------------------------|
| 0–300,000 | 21% | 21% |
| 300,001–1,500,000 | 29.75% | 29.75% |
| 1,500,001 and over | 28% | 28% |

MAIN CAPITAL AND OTHER ALLOWANCES

| | 09-10 |
|--|--|
| Plant & machinery 100% annual investment allowance (first year) | £50,000 |
| Plant & machinery expenditure in excess of £50,000 (first year) | 40% |
| Plant & machinery, patent rights, know-how (reducing balance) pa | 20% |
| Certain long-life assets, integral features of buildings (reducing balance) pa | 10% |
| Industrial & agricultural buildings (straight line) | 2% |
| Energy & water-efficient investments | 100% |
| Qualifying flat conversions & business premises renovations | 100% |
| Motor cars: Expenditure on or after 1/4/09 (Corporation Tax) or 6/4/09 (Income Tax) | |
| CO ₂ emissions of g/km: | 110 or less 111–160 161 or more |
| Capital allowance: | 100% 20% 10% |
| | first year reducing balance reducing balance |
| Research & Development: Capital expenditure | 100% |
| Revenue expenditure: small/medium companies | 175% |
| large companies | 130% |

VALUE ADDED TAX

| | | | |
|---|---------|--------------------------------------|------------|
| Registration level from 1/5/09 | £68,000 | Standard rate from 1/12/08–31/12/09: | 15% |
| Standard rate from 1/1/10: | 17.5% | Reduced rate, eg on domestic fuel: | 5% |
| Flat rate scheme turnover limit | | | £150,000 |
| Cash and annual accounting turnover limit | | | £1,350,000 |

MAIN DUE DATES FOR TAX PAYMENT

Income Tax and Capital Gains Tax – Self-assessment

| | | |
|------------------------|---|---|
| 31 January in tax year | } | • Normally 50% of previous year's income tax, less tax deducted at source |
| Following 31 July | | |
| Following 31 January | | • Balance of income tax and all CGT |

| | |
|---|--|
| Inheritance Tax On 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

- Self-Assessment: 9 months after end of accounting period
- Payable by instalments where profits are £1.5m or over. Normally payable in 7th, 10th, 13th and 16th months after start of accounting period.
 - Growing companies: no instalments where profits are £10m or less and the company was not a large company for the previous year