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Accounting Services
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Contact Mobile: 07956867073; Email: info@KDCAccounting.co.uk

TAXABLE TABLES 2012-2013

INCOME TAX

Starting rate for savings **	10%
Basic Rate	20%
Higher Rate (£32,011 - £150,000)	40%
Additional Rate (£Over £150,000)	50%
Starting rate limit **	£2,710
Threshold of taxable income above which higher rate applies	£34,370
Threshold of taxable income above which additional rate applies	£150,000
Child Benefit effective from 7 January 2013: 1% of benefit for every £100 of income over	£50,000
*** Restricted to savings income only and not available if taxable non-savings income exceeds starting rate band.*	

PERSONAL ALLOWANCES & RELIEFS

Income limit for personal allowance ***	£100,000
Personal Allowance (basic) ***	£8,105
Personal Allowance (65 - 74) ***	£10,500
Personal Allowance (75 and over) ***	£10,660
Married/civil partners (minimum) @ 10% ~	£2,960
Married/civil partners (75 and over) @ 10%	£7,705
Income limit for age-related allowances	£25,400
Blind Person's Allowance	£2,100
Enterprise Investment Scheme relief limit on £1,000,000 max (EIS)	30%
Seed Enterprise Investment Scheme relief limit on £100,000 (SEIS)	50%
Venture Capital Trust relief limit on £200,000 max (VCT)	30%
**** The personal Allowance reduces by £1 for every £2 of income above the income limit irrespective of age (under the income threshold)*	
~ Where at least one spouse/civil partner was born before 6/4/1935	
Child Tax Credit (CTC)	
Child Element per child (maximum)	£2,690
Family Element	£545
Threshold for tapered withdrawal of CTC	£15,860

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NATIONAL INSURANCE

Class 1 Employee	Weekly	Monthly	Yearly
Lower Earnings Limit (LEL)	£107	£464	£5,564
Secondary earnings	£144	£624	£7,488
Primary threshold	£146	£634	£7,605
Upper Accrual Point	£770	£3,337	£40,040
Upper Earnings Limit (UEL)	£817	£3,540	£42,475

Class 1 Employee Contribution.

Total Earnings per week (£)	Contracted in rate	Contracted out rate
Below 146.00 ~~	Nil	Nil
146.01 – 770.00	12%	10.6%
770.01 – 817.00	12%	12%
Excess over 817.00	2%	2%
~~		

Class 1 Employer Contribution.

Total Earnings per week (£)	Contracted in rate	Contracted out rate
Below 146.00 ~~	Nil	Nil
146.01 – 770.00	13.8%	10.4%
770.01 – 817.00	13.8%	13.8%
Excess over 817.00	13.8%	13.8%
~~ Secondary earnings threshold		

Class 1 Employed Not contracted out of state second pension	Employee	Employer
NIC Rate	12%	13.8%
No NIC on the first	£146 pw	£144 pw
NIC charged at 12%/13.8% up to	£817 pw	No limit
2% NIC on earnings over	£817 pw	N/A
Certain Married Women	5.85%	13.8%
Salary-related scheme	1.4%	3.4%

Class 1A Employer	On car & fuel benefits and most other taxable benefits – 13.80%
Class 2 (Self employed)	Flat rate per week £2.65 where earnings exceed £5,595 per year.
Class 3 Voluntary	Flat rate per week £13.25
Class 4 (Self employed)	9% on profits between £7,605 - £42,475
	2% on profits above £42,475.

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PENSIONS

Basic State Pension	Weekly	Annual
Single Person	£107.45	£5,587.40
Dependent addition *	£64.40	£3,348.80
Total married pension *	£171.85	£8,936.20
* For pensions which started before 6/4/2010		
Pension Credit		
Single	£142.70	£7,420.40
Couple	£217.90	£11,330.80

Tax Year	Lifetime Allowance	Annual Allowance
2006/2007	£1,500,000	£215,000
2007/2008	£1,600,000	£225,000
2008/2009	£1,650,000	£235,000
2009/2010	£1,750,000	£245,000
2010/2011	£1,800,000	£255,000
2011/2012	£1,800,000	£50,000
2012/2013	£1,500,000	£50,000

Annual Allowance Charge.

20%-50% member’s tax charge on the amount of total pension input in excess of the annual allowance.

Lifetime Allowance Charge

55% of excess over lifetime allowance if taken as a lump sum.

25% of excess over lifetime if taken in the form of income, which is subsequently taxed under PAYE.

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INTERITANCE TAX.

Transfers made after 5 April 2012	
- Up to £325,000	Nil
- Excess over £325,000	40%
- Lifetime transfers to and from certain Trusts	20%
Main Exemptions	
Transfer to	
■ UK-Domiciled spouse/civil partner	No Limit
■ Overseas Domiciled Spouse exemption	£55,000
■ UK-Registered charities	No Limit
Lifetime Transfers	
■ Annual exemption per donor	£3,000
■ Small Gift Exemption	£250
Wedding/civil partnership gifts by	
■ Parent	£5,000
■ Grandparent	£2,500
■ Other person	£1,000
Businesses, unlisted/AIM companies, certain farmland/buildings	100% relief
Other business assets	50% relief
Reduced tax charge on gifts within 7 years of death:	
Years before death	Inheritance Tax Payable
■ 0-3	100%
■ 3-4	80%
■ 4-5	60%
■ 5-6	40%
■ 6-7	20%
Annual Exempt Gifts	£3,000 per donor; £250 per done.

MAIN CAPITAL AND OTHER ALLOWANCES.

Plant & machinery (excluding cars) 100% annual investment allowance (first year)	£25,000
Plant & machinery (reducing balance) per annum	18%
Patent rights & knmow how (reducing balance) per annum	25%
Certain Long life assets, integral features of buildings (reducing balance) per annum	8%
Energy & Water-efficient equipment	100%
Zero emission goods vehicles (new)	100%
Qualifying flat conversions, business premises & renovations	100%

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CAR BENEFIT FOR EMPLOYEES

The charge for company car benefits on the carbon dioxide (CO2) emissions. There is no reduction for high business mileage users.

For 2012-2013:

Cars that cannot emit CO2 have a 0% charge

The percentage charge is 5% of the cars list price for CO2 emissions of 75g/km or less

For cars with CO2 emissions of 76g/km to 99g/km the percentage is 10%

For cars with CO2 emissions of 100g/km the percentage is 11%

For cars with CO2 emmissions of 105g/km have a percentage charge of 12% and thereafter the charge increases by 1% for every complete 5g/km to a maximum of 35% (emissions of 220g/km and above)

There is an additional 3% supplement for diesel cars not meeting Euro IV emissions standards. However, the maximum charge remains 35% of the car's list price.

Car Fuel The benefit is calculated as the CO2 emissions % relevant to the car and that % applied to a set figure (£20,200 for 2012/13) e.g car emission 100g/km = 11% on car benefit scale. 11% of £20,200 = £2,222.

1. Accessories are, in most cases, included in the list price on which the benefit is calculated.

2. List Price is reduced for capital contributions made by the employee up to £5,000

3. Car Benefit is reduced by the amount of employee's contributions towards running costs.

4. Fuel Scale is reduced only if the employee makes good all the fuel used for private journeys.

5. All cars and fuel benefits are subject to employers National Insurance Contributions (Class 1A) of 13.8%

PRIVATE VEHILCES USED FOR WORK.

Cars	
---- On the first 10,000 miles in the tax year	45p per mile
---- Each business miles 10,000 business miles	25p per mile
Motor Cycles	24p per mile
Bicycles	20p per mile

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MOTOR CARS

Expenditure on or after 1/4/12(Corporation Tax) or 6/4/2012(Income Tax)

CO2 emissions of g/km	110 or less *	111-160	Over 160
Capital Allowance	100%	18%	8%
* If New			
Research & Development	Capital expenditure	100%	

TAX FREE SAVINGS

Limits	
Cash individual savings account (ISA)	£5,760
Stock & shares ISA (balance to)	£11,520
Junior ISA & Child Trust Fund	£3,720

MAIN SOCIAL SECURITY BENEFITS

Child Benefit	£
---- First Child	20.30
---- Subsequent children	13.40
---- Guardian's allowance	15.55
Employment & Support Allowance	
Assessment Phase	
---- Age 16 – 24	Up to 56.25
---- Aged 25 or over	Up to 71.00
Main Phase	
---- Work Related Activity Group	Up to 99.15
---- Support Group	Up to 105.05
Attendance Allowance	
---- Lower Rate	51.85
---- Higher Rate	77.45
---- Maximum savings ignored in calculating income	10,000.00
Bereavement Payment (Lump sum)	2,000.00
Widow Parent's allowance	105.95
Job Seekers Allowance	
----Age 16 – 24	56.25
---- Age 25 and over	71.00
Statutory Maternity, Paternity & Adoption Pay	135.45

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CAPITAL GAINS TAX

EXEMPTIONS	£
Individuals, estates etc	10,600
Trusts generally	5,300
Chattels proceeds (restricted to five thirds of proceeds exceeding limit)	6,000
TAX RATES	
Individuals:	
---- Up to basic rate limit	18%
---- Above basic rate limit	28%
Trustees & Personal Representatives	28%
Entrepreneurs' Relief * - Gains taxed at:	
Lifetime limit	10%
* For trading businesses and companies (min 5% employee or director shareholding) held for at least one year	£10,000,000

CORPORATION TAX

Full Rate	24%
Small Companies Rate	20%
Small Companies Limit	£300,000
Effective Marginal Rate	25%
Upper Marginal Limit	£1,500,000

VALUE ADDED TAX

Standard Rate effective (4/1/2011)	20%
Annual Registration Threshold	£77,000
De-registration Threshold	£75,000

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