



Warrener Stewart

Chartered Accountants • Intelligent Advisors

# Tax Data

2014/15

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Warrener Stewart Limited No 07513468

## Income Tax

	2014-15	2013-14
Basic rate band – income up to	£31,865	£32,010
Starting rate for savings	*10%	*10%
Basic rate	20%	20%
Dividend ordinary rate	10%	10%
Higher rate – income over	£31,865	£32,010
Higher rate	40%	40%
Dividend upper rate	32.5%	32.5%
Additional rate – income over	£150,000	£150,000
Additional rate	45%	45%
Dividend additional rate	37.5%	37.5%

\*Starting rate is for savings income up to the starting rate limit of £2,880 (£2,790) within the basic rate band. The rate applies to any balance of the limit remaining after allocating taxable non-savings income.

### Personal allowances (PA)

Born after 5 April 1948	£10,000	£9,440
Born after 5 April 1938 and before 6 April 1948	£10,500	£10,500
Born before 6 April 1938	£10,660	£10,660

### Married couple's allowance (MCA) (relief restricted to 10%)

Either partner born before 6 April 1935	£8,165	£7,915
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Age-related allowances are reduced by £1 for every £2 that adjusted net income exceeds £27,000 (£26,100) to a minimum PA of £10,000 (£9,440) and to a minimum MCA of £3,140 (£3,040). Where adjusted net income exceeds £100,000, PA is reduced in the same way until it is nil regardless of the individual's date of birth.

### Tax Shelters

Venture Capital Trust up to	£200,000	£200,000
Enterprise Investment Scheme up to	£1,000,000	£1,000,000
Seed Enterprise Investment Scheme up to	£100,000	£100,000
'Rent a Room' exempt on gross annual rent	£4,250	£4,250
Construction Industry Scheme deduction rate	20/30%	20/30%

### ISAs 2014/15

	To 30 June 2014	From 1 July 2014
Overall Investment limit	£11,880*	£15,000**
Junior ISA limit	£3,840	£4,000**

\*Including cash maximum of £5,940 \*\* (Transitional rules may apply)

## Pensions

There is no financial limit on the amount that may be contributed to a registered pension scheme. The maximum amount on which an **individual** can claim tax relief in any tax year is the greater of the individual's UK relevant earnings or £3,600 (gross). If **total pension input** exceeds the **annual allowance** of £40,000 there may be a tax charge on the excess.

Maximum age for tax relief		74
Minimum age for taking benefits		55
Lifetime allowance charge	– lump sum paid	55%
	– monies retained	25%
	on cumulative benefits exceeding	£1.25 million*
Maximum tax-free lump sum		25%*

\*Subject to transitional protection for excess amount.

## Company Cars and Vans

These taxable benefits generally arise on employees earning £8,500 or over (including benefits) and directors.

**Company car benefit** is calculated by applying the appropriate percentage (based on the car's CO<sub>2</sub> emissions – see table below) to the car's UK list price.

CO <sub>2</sub> emissions (g/km)	Appropriate %		CO <sub>2</sub> emissions (g/km)	Appropriate %	
	Petrol	Diesel		Petrol	Diesel
0	0	0	150 - 154	23	26
1 - 75	5	8	155 - 159	24	27
76 - 94	11	14	160 - 164	25	28
95 - 99	12	15	165 - 169	26	29
100 - 104	13	16	170 - 174	27	30
105 - 109	14	17	175 - 179	28	31
110 - 114	15	18	180 - 184	29	32
115 - 119	16	19	185 - 189	30	33
120 - 124	17	20	190 - 194	31	34
125 - 129	18	21	195 - 199	32	35
130 - 134	19	22	200 - 204	33	
135 - 139	20	23	205 - 209	34	
140 - 144	21	24	210 and above	35	
145 - 149	22	25			

**Company car fuel benefit** is charged unless the cost of all fuel for private use is borne by the employee. The taxable benefit is calculated by applying the appropriate % to the car fuel benefit charge multiplier (£21,700).

Where VAT is to be reclaimed on fuel for private use, the employer also has to account for output tax based on a flat rate charge derived from the vehicle's CO<sub>2</sub> emissions.

**Company van benefit** is not related to CO<sub>2</sub> emissions but is a set figure of £3,090 with an extra £581 where fuel for private use is provided. There is no benefit charge for certain environmentally friendly vans or where the restricted private use condition is met.

### Employees using their own cars for business:

Approved mileage allowance payments are 45p per mile for the first 10,000 miles in the tax year and 25p thereafter. Income tax and NICs may be due on higher rates and tax relief may be available on lower rates.

## Corporation Tax

Financial Year to		31 March 2015	31 March 2014
Taxable Profits			
First	£300,000	20%	20%
Next	£1,200,000	21.25%	23.75%
Over	£1,500,000	21%	23%

## Stamp Taxes

Stamp duty is generally payable at a rate of 0.5% on transfers of shares and securities. On the transfer of property, the stamp duty land tax is:

Value up to £125,000*	nil
Over £125,000* – £250,000	1%
Over £250,000 – £500,000	3%
Over £500,000 – £1,000,000**	4%
Over £1,000,000** – £2,000,000**	5%**
Over £2,000,000**	7%**

\*£150,000 for non-residential property. \*\*Residential property only. A 15% rate may apply to properties over £500,000 purchased by certain non-natural persons.

## Value Added Tax

<b>From</b>	<b>1 April 2014</b>
<b>Standard Rate</b>	20%
<b>VAT Fraction</b>	1/6
<b>Reduced Rate</b>	5%

### Current Turnover Limits

Registration – last 12 months or next 30 days over	£81,000 from 1 April 2014
Deregistration – next year under	£79,000 from 1 April 2014
Annual and Cash Accounting Schemes	£1,350,000
Flat Rate Scheme	£150,000

## National Insurance Contributions

<b>Class 1 (not contracted out)</b>	<b>Employee (primary)</b>	<b>Employer (secondary)</b>
Payable on weekly earnings of:		
Below £111 (lower earnings limit)	Nil	–
£111 - £153 (primary threshold)	*0%	–
Up to £153 (secondary threshold)	–	Nil
Above £153	–	13.8%
£153.01 - £805 (upper earnings limit)	**12%	–
Above £805	**2%	–

\*No NICs are actually payable but notional Class 1 NIC is deemed to have been paid; this protects contributory benefit entitlement.

\*\*Over state pension age, the employee contribution is generally nil.

**Employment Allowance** up to £2,000 (per year)

<b>Class 1A</b> On relevant benefits	13.8%
<b>Class 2</b> Self employed	£2.75 per week
Limit of net earnings for exception	£5,885 per annum
<b>Class 3</b> Voluntary	£13.90 per week
<b>Class 4</b> Self employed on profits	
£7,956 - £41,865	*9%
Excess over £41,865	*2%

\*Exemption applies if state pension age was reached by 6 April 2014.

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## Capital Gains Tax

On chargeable gains	<b>2014-15</b>
Total taxable income and gains	
Up to £31,865	18%
From £31,866	28%
Trust rate	28%

### Entrepreneurs' relief

Qualifying gains will be taxed at 10%. Claims may be made on more than one occasion up to a "lifetime" total of £10 million.

Annual exempt amount – individuals £11,000 and most trustees £5,500.

Transfers between spouses and civil partners are generally not chargeable.

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## Inheritance Tax

	<b>2014-15</b>	<b>2013-14</b>
Standard threshold	£325,000	£325,000
Combined threshold maximum	£650,000	£650,000
for married couples and civil partners		
Rate of tax on balance:		
Chargeable lifetime transfers	20%	20%
Transfers on, or within 7 years of, death	40%	40%
subject to a tapered reduction for transfers between 7 and 3 years before death		

Exemptions may be available; please contact us for relevant information and advice.

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## Capital Allowances

### Plant and Machinery

Investment for use in Enterprise Zones, energy saving and environmentally beneficial equipment, new zero-emission goods vehicles, low CO<sub>2</sub> emission (up to 95g/km) cars, natural gas/hydrogen refuelling equipment

First Year allowance (FYA) **100%**

### Annual Investment Allowance (AIA) **100%\***

– on first £500,000 of investment

Excludes cars and expenditure already qualifying for 100% FYA

**Writing Down Allowance** on expenditure not qualifying for AIA or FYA:

Long-life assets, integral features of buildings, cars over 130g/km **8%**

Other plant and machinery **18%**

### Business premises renovation

maximum initial allowance **100%**

*\*Transitional rules may apply.*

## Selected Rates

### Basic Retirement Pension

– Single person	£113.10
– Couple	£180.90

### Pension Credit Standard Minimum Guarantee

– Single person	£148.35
– Couple	£226.50

### Child Benefit

– First eligible child	£20.50
– Each subsequent child	£13.55

**Statutory Pay** qualification – average weekly earnings (AWE) £111 or over.

**Sick (SSP)** The standard rate is £87.55 per week for up to 28 weeks.

**Maternity (SMP), Adoption (SAP) and Paternity (SPP)** paid at the lower of £138.18 or 90% of AWE apart from first 6 weeks of SMP which is paid at 90% of AWE. **SMP** and **SAP** are payable for up to 39 weeks. **SPP** is payable for up to 2 weeks.

**Jobseeker's Allowance** is paid at £72.40 (single person – 25 or over) or £113.70 (couple – both 18 or over).

**Universal Credit (monthly rates)** – Standard allowance for a single person (25 or over) is £314.67. The couple's rate (where one or both are 25 or over) is £493.95. The new Universal Credit is being phased in gradually.

### National Minimum Wage

Age	21 and over	18-20	16 and 17	Apprentices*
From 1 October 2013	£6.31	£5.03	£3.72	£2.68
From 1 October 2014	£6.50	£5.13	£3.79	£2.73

\* Rate applies to apprentices under 19, or 19 and over in the first year of apprenticeship.

## Key Dates & Deadlines

### Payment Dates

#### Income Tax and Class 4 NICs

		2014-15	2013-14
1st payment on account	31 January	2015	2014
2nd payment on account	31 July	2015	2014
Balancing payment	31 January	2016	2015

**Capital Gains Tax** 31 January 2016 2015

**Class 1A NICs** 19 July 2015 2014

**Corporation Tax** – 9 months and one day after the end of accounting period (or by quarterly instalments if large company)

### 2013-14 Returns Filing Deadlines

31 May 2014	Issue P60s to employees
6 July 2014	P9D, P11D and P11D(b) – and appropriate copies to employees
31 October 2014	Self Assessment Tax Return (SATR) – paper version
30 December 2014	SATR Online where outstanding tax (less than £3,000) to be included in 2015-16 PAYE code
31 January 2015	SATR Online

*Under Real Time Information most employers must notify HMRC of payments and deductions on or before the time of payment. Some concessions apply. Budget Day edition. Rates subject to change – contact us for latest. For general guidance only, no responsibility is taken for action taken or refrained from in consequence of card contents.*