

TAX FREE MILEAGE ALLOWANCES

Cars and vans	First 10,000 business miles p.a.	45p
	Thereafter	25p
Motorcycles		24p
Bicycles		20p
Business passenger		5p

Fuel only allowance for company cars

From 1 March 2013	Petrol	Diesel	LPG
Up to 1400cc*	15p	13p	10p
1401**-2000cc	18p	15p	12p
Over 2000cc	26p	18p	18p

These rates may change within the tax year.
*1600cc for petrol **1601cc for diesel

VEHICLE AND FUEL BENEFITS IN KIND (BIKs)

The taxable BIK is calculated as a percentage of the car's UK list price. The percentage depends on the car's CO₂ emissions in grams per kilometre (g/km).

Emissions	Petrol	Diesel
1 – 75g/km	5%	8%
76 – 94g/km	10%	13%
95 – 99g/km	11%	14%
Over 99g/km	add 1% for every 5g/km	
Maximum	35%	35%

Chargeable on employees earning £8,500 or over (including BIK) and directors. The list price is on the day before first registration, including most accessories and is reduced by any employee's capital contribution (max £5,000) when the car is first made available.

Where the cost of all fuel for private use is borne by the employee, the fuel benefit is nil. Otherwise, the fuel benefit is calculated by applying the car benefit percentage (above) to £21,100 (2012/13, £20,200).

Vans where private use is more than home to work travel; £3,000 and £564 for private fuel. Payments by employees for private use may reduce these BIKs.

VALUE ADDED TAX

From 1 April	2013	2012
Standard rate	20%	20%
VAT fraction	1/6	1/6

Taxable turnover limits

	2013	2012
Registration (last 12 months or next 30 days over)	£79,000	£77,000
Deregistration (next year under)	£77,000	£75,000
Annual accounting scheme	£1,350,000	£1,350,000
Cash accounting scheme	£1,350,000	£1,350,000
Flat rate scheme	£150,000	£150,000

STAMP TAXES

Stamp duty is payable at a rate of 0.5% on transfers of shares and securities of £1,000 and over.

On the transfer of residential property		On the transfer of residential property	
£0-£125,000	nil	£500,001-£1,000,000	4%
£125,001-£250,000	1%	£1,000,001-£2,000,000	5%
£250,001-£500,000	3%	over £2,000,000	7%*

* 15% for purchases by certain non-natural persons including corporate bodies

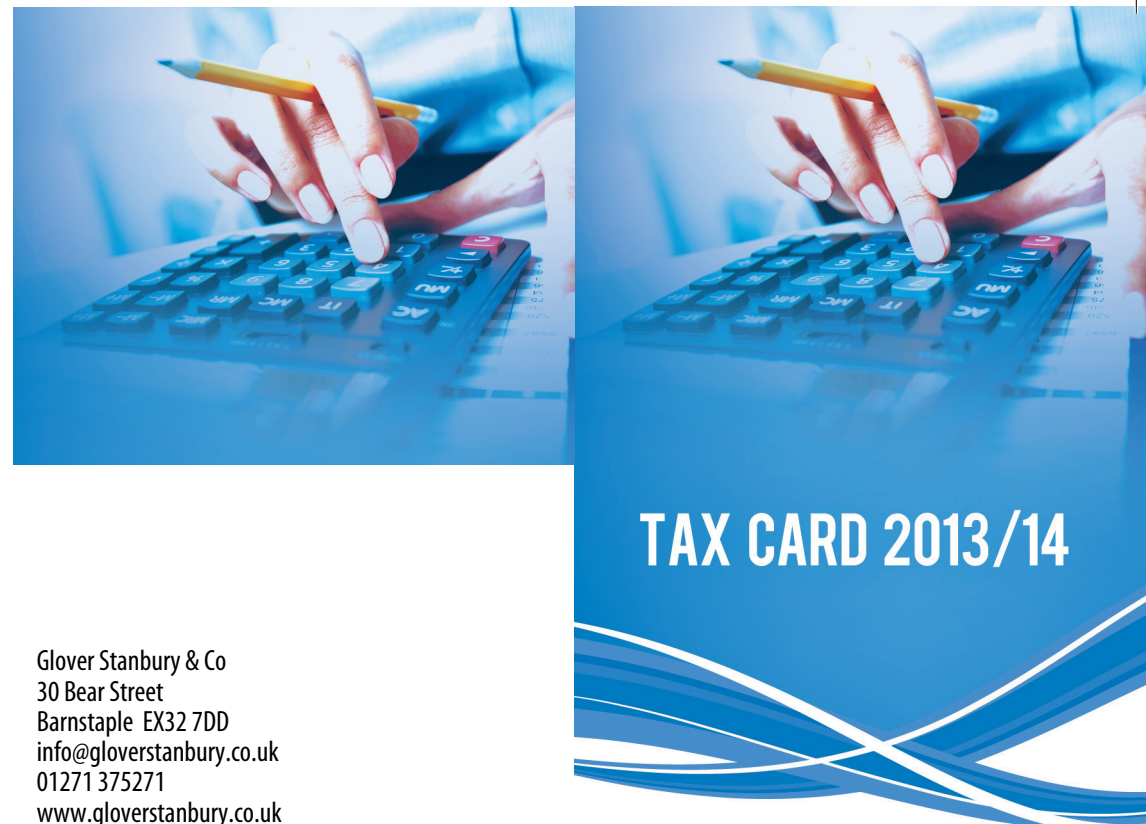
DUE DATES FOR TAX PAYMENTS

Income Tax and Class 4 NIC	2013/14	2012/13
1st payment on account (31 January)	2014	2013
2nd payment on account (31 July)	2014	2013
Balancing payment (31 January)	2015	2014
Capital gains tax (31 January)	2015	2014
Inheritance tax	Normally six months after the end of the month in which death occurs.	

Corporation Tax

Small and medium companies
Nine months and one day after the end of accounting period

Large companies
Four quarterly instalments commencing six and a half months into the accounting period.



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For information only. Always seek professional advice before acting.

Glover Stanbury & Co
CHARTERED ACCOUNTANTS

INCOME TAX BANDS AND RATES

	2013/14	2012/13
Savings rate band	£2,790	£2,710
Savings tax rate	10%	10%
Basic rate band	£32,010	£34,370
Basic tax rate	20%	20%
Dividend ordinary tax rate	10%	10%
Higher rate band	£32,011 - £150,000	£34,371 - £150,000
Higher tax rate	40%	40%
Dividend higher tax rate	32.5%	32.5%
Additional rate band	over £150,000	over £150,000
Additional tax rate	45%	50%
Dividend additional tax rate	37.5%	42.5%

■ Allowances that reduce taxable income

	65 and under	£9,440	£8,105
Personal allowances	66 to 75*	£10,500	£10,500
	76** and over	£10,660	£10,660
	Blind person's allowance	£2,160	£2,100

*65-74, 2012/13 **75, 2012/13

Age related allowances are reduced by £1 for each £2 of income above £26,100 (2012/13, £25,400), until the minimum of £9,440 (2012/13, £8,105) is reached. The minimum personal allowance is reduced by £1 for each £2 of income from £100,000 to £118,880 (2012/13, £116,210)

■ Allowances that reduce tax

Married couple's allowance (MCA) tax reduction	£791.50	£770.50
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Available to people born before 6 April 1935. The age for MCA is of the elder spouse or civil partner. The loss of tax reduction is 10p for each £2 of income above £26,100 (2012/13, £25,400) until the minimum of £304 (2012/13, £296) is reached.

HIGH INCOME CHILD BENEFIT CHARGE

	2013/14	2012/13
Arises on income over	£50,000	£50,000

There is a tax charge of 1% of the child benefit received for each £100 that taxable income exceeds £50,000 up to a maximum of 100%. Applies from 7 January 2013.

INHERITANCE TAX

	2013/14	2012/13
Standard threshold	£325,000	£325,000
Combined threshold maximum for married couples and civil partners	£650,000	£650,000

■ Rates of tax on balance

Chargeable lifetime transfers	20%	20%
Reduced rate	36%	36%
Transfers on or within seven years of death	40%	40%

All lifetime transfers not covered by exemptions and made within seven years of death will be added back into the estate for the purposes of calculating the tax payable. This may then be reduced as follows:

Years before death	0-3	3-4	4-5	5-6	6-7
Tax reduced by	0%	20%	40%	60%	80%

■ Main exemptions

- Most transfers between spouses and between civil partners.
- First £3,000 of lifetime transfers in any tax year plus any unused from the previous year.
- Gifts up to £250 p.a. to any number of persons.
- Gifts made out of income that form part of normal expenditure and do not reduce the standard of living.
- Gifts in consideration of marriage/civil partnership up to £5,000 by a parent, £2,500 by grandparents, or £1,000 by any other.
- Gifts to charities, whether made during lifetime or on death.

CAPITAL GAINS TAX

	2013/14	2012/13	
Lower rate	18%	18%	
Higher rate	28%	28%	
Annual exemption	Individual	£10,900	£10,600
	Settlements	£5,450	£5,300
Entrepreneurs' relief	Applicable rate	10%	10%
	Lifetime limit	£10m	£10m

NATIONAL INSURANCE

■ Class 1 (not contracted out)

	Employer	Employee
Lower earnings limit	n/a	£109
Payable on weekly earnings of £109.01-£148	n/a	0%
Payable on weekly earnings of £148.01-£149	13.8%	0%
Payable on weekly earnings of £149.01-£797	13.8%	12%
Over £797	13.8%	2%
Over state retirement age	13.8%	n/a

■ Class 1A

On relevant benefits	13.8%	n/a
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■ Class 2

Self employed	£2.70 per week
Limit of net earnings for exception	£5,725 per annum

■ Class 3

Voluntary	£13.55 per week
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■ Class 4*

Self employed on profits £7,755-£41,450	9%
Above £41,450	2%

* Exemption applies if the state retirement age is reached by 6 April 2013.

PENSION CONTRIBUTIONS

Maximum annual tax-efficient gross contributions to age	74	
- individuals	£3,600 or 100% of earnings to £50,000*	
- employers	£50,000 less employee contributions	
Normal age for accessing benefits	55	
Lifetime allowance charge	lump sum paid	55%
	monies retained	25%
On cumulative benefits exceeding	£1,500,000**	
Maximum tax-free lump sum	25%**	

*The annual contribution may be increased to include the unused amounts from the previous three years, subject to specific conditions.

**Subject to transitional protection for excess amount.

ISA AND JUNIOR ISA

	2013/14	2012/13	
ISA	Annual investment limit	£ 11,520	£11,280
	Including cash maximum of	£ 5,760	£ 5,640
Junior ISA : Annual investment limit	£ 3,720	£ 3,600	

CORPORATION TAX

Financial year to 31 March	2014	2013	
Taxable profits	First £300,000	20%	20%
	Next £1,200,000	23.75%	25%
	Over £1,500,000	23%	24%

MAIN CAPITAL ALLOWANCES

■ Plant and machinery

First year allowance: for certain environmentally beneficial equipment, electric and low CO ₂ emission (up to 95g/km) cars	100%
Annual investment allowance: On first £250,000 of investment (excludes cars and the above)	100%

■ Writing down allowances

Other plant and machinery	18%	
Long-life assets, integral features of buildings, thermal insulation	8%	
Cars	96g/km – 130g/km	18%
	Over 130g/km	8%

INVESTMENT RELIEFS

Enterprise Investment Scheme	limit	£1,000,000
	relief rate	30%
Venture Capital Trust	limit	£200,000
	relief rate	30%
Seed Enterprise Investment Scheme	limit	£100,000
	relief rate	50%

RATES FOR 2013/2014

These rates and allowances are for information only.