

Car, Van & Fuel Benefits

For five years from 6 April 2010 there is no annual taxable benefit for electric cars and vans.

Non-electric company cars

The annual taxable benefit is calculated using a percentage of the list price when new. The actual percentage is determined based on CO2 emissions. The minimum benefit is 5% for emissions of 75g/km or less. For emissions of over 75g/km up to 120g/km the benefit is 10%. For emissions of 120-125g/km the rate is 15%. For each 5g/km emissions exceed 125g/km the percentage is increased by 1% up to a maximum charge of 35% for emissions of 225g/km or more. There is a diesel supplement of 3% for all bands, subject to a maximum rate of 35%.

Special rules apply for alternative fuel cars and for employee capital contributions.

Non-electric vans

For vehicles that meet the definition of a company van the annual taxable benefit is £3,000.

Fuel

The annual taxable fuel benefit for cars is calculated using the relevant car benefit percentage applied to a fixed amount of £18,800 (2010-11 £18,000)

The taxable fuel benefit for vans is a fixed £550.

Capital Allowances

	2010-11	2011-12
Plant and machinery		
- Main writing down allowance	20%	20%
- Long life assets, integral fixtures	10%	10%
- First year allowance	-	-
- Environmentally beneficial	100%	100%
- Annual investment allowance*	£100,000	£100,000
Cars		
- CO2 emissions upto 110g/km	100%	100%
- CO2 emissions 111g/km- 160g/km	20%	20%
- CO2 emissions over 160g/km	10%	10%
Industrial / agricultural buildings and hotels	1% (of cost)	nil
Patent rights and know how	20%	20%
Research and development	100%	100%

* Provides a 100% write-off on most capital expenditure on plant and machinery including integral fixtures and long life assets. Allowance shared between businesses under common ownership.

Tax favoured investments

Individual saving account (ISA)	2010-11	2011-12
ISA investment limit	£10,200	£10,680
Cash ISA maximum	£5,100	£5,340

Venture capital trusts

Income tax relief of up to 30% on investments up to £200,000








Enterprise investment scheme

Income tax relief of up to 30% on qualifying share subscriptions between £500 and £500,000.

The information in this tax card is based upon the March 2011 Budget and other earlier announcements and may be subject to amendment by the Finance Act.

Tax rates 2011-2012

Our services and market sectors include:

- Charities 
- Housebuilder & construction 
- Private client 
- Energy 
- Land & rural business 
- Investment & finance 
- Owner managed & family business 



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Capital gains tax

Annual exempt amount	2010-11	2011-12
Individual	£ 10,100	£ 10,600
Trusts	£ 5,050	£ 5,300

Rates

Individuals and personal representatives (1)	28%	28%
Companies	CT rates apply	CT rates apply
Limit for gains subject to entrepreneurs' relief (2)	£5,000,000	£10,000,000
Entrepreneurs' rate	10%	10%

1. With effect from 23 June 2010 the capital gains tax rate increased to 28% for higher rate taxpayers. The rate for standard rate taxpayers remains at 18%.

2. Disposals of whole or part of a business are subject instead to an entrepreneurs' rate of 10%. With effect from 23 June 2010 the limit for gains subject to entrepreneurs' relief increased from £2,000,000 to £5,000,000. The limit increases to £10,000,000 from 6 April 2011.

Inheritance tax

	2010-11	2011-12
Nil rate band for individuals*	£325,000	£325,000
Thereafter - lifetime gifts **	20%	20%
- on death	40%	40%

From April 2012, a reduced rate of inheritance tax of 36% will be introduced where 10% or more of the net estate is left to charity.

* Unused nil rate band can be used by surviving spouse or civil partner

** Increased to 40%, subject to tapering relief, on gifts made between 3 and 7 years pre death. Certain lifetime gifts are exempt. Special rules for Business property.

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

Main exempt lifetime gifts

Recurring annual gifts out of surplus income	unlimited
Annual gifts out of capital (with one year carry forward if unused)	£ 3,000
Small gifts (per recipient)	£ 250
Parental gift on marriage	£ 5,000
Grandparent or party to marriage	£ 2,500
Other gifts on marriage (per donor)	£ 1,000

Business property relief

Shares in unquoted companies (including USM/AIM stocks)	100%
Shares in quoted companies	
- shareholding upto 50%	none
- shareholding over 50%	50%
Unincorporated business or interest in a business	100%
Land, buildings, plant and machinery used in the deceased's business/company	50%

VAT

Standard Rate (from 1 January 2011)	20%
Reduced Rate	5%
Zero Rate	0%
Annual registration limit (from 1 April 2011)	£ 73,000
Annual deregistration limit (from 1 April 2011)	£ 71,000
VAT Cash accounting scheme threshold	£1,350,000
VAT Annual accounting scheme threshold	£1,350,000

National Insurance

Class 1 (employed) 2011-12 rates

Earnings limits (weekly)	Employer	Employee
Up to £139	Nil	Nil
Up to £817	13.80%*	12%**
Over £817	13.80%	2%

* Contracted out figures for employers: 10.1% (final salary related) or 12.4% (money purchase)

** Contracted out figure for employees: 9.4%

Class 1A (employers):	13.8% on the amounts of taxable benefits
Class 1B (employers only):	13.8% on PAYE settlement agreements
Class 2 (self-employed):	£2.50 per week (unless earnings below £5,315 pa)
Class 3 (voluntary):	£12.60 per week
Class 4 (self-employed):	9% of profits between £7,225 and £42,475 pa plus 2% on profits above £42,475

Key personal tax filing dates

2010/11 Paper return	By 31 October 2011
2010/11 Online return	By 31 January 2012

Tax payments

	2010-11	2011-12
1st interim income tax payment	Mon, 31 Jan, 2011	Tue, 31 Jan, 2012
2nd interim income tax payment	Sun, 31 July, 2011	Tue, 31 July, 2012
Final balancing income tax payment	Tue, 31 Jan, 2012	Thu, 31 Jan, 2013
Capital gains tax payment	Tue, 31 Jan, 2012	Thu, 31 Jan, 2013

Income Tax Bands

Income tax bands	2010-11	2011-12
Basic Rate - 20%*	£0-£37,400	£0 - £35,000
Higher Rate - 40%	£37,401-£150,000	£35,001-£150,000
Additional Rate - 50%	Over £150,000	Over £150,000

* Dividend and savings income is taxed at 10% up to £2,560 (2010-11 £2,440). This 10% rate does not apply if taxable non-savings income exceeds £2,560 (2010-11 £2,440).

Dividends are deemed to be the top slice of total income in computing tax liability at 10%, 32.5% or 42.5% respectively.

Income Tax Reliefs

	2010-11	2011-12
Personal allowance (under 65)	£6,475*	£7,475
Personal allowance (65-75)**	£9,490*	£9,940*
Personal allowance (75+)**	£9,640*	£10,090*
Blind persons allowance	£1,890	£1,980
Age allowance income limit	£22,900	£24,000

* From 6 April 2010 the personal allowance will be gradually withdrawn by £1 for every £2 of income over £100,000.

** Age allowance reduced by £1 for every £2 of income over £24,000 (2010-11 £22,900), until reduced to level of basic personal allowance

Married couples allowance – tax relief given at 10%

Age over 76 (at 6/4/11)	£6,965	£7,295
Minimum amount	£2,670	£2,800

Stamp duty land tax

Stamp Duty Land Tax (SDLT) – 2011-12

Rate	Residential Property	Residential Property (Disadvantaged area)	Non-residential
Zero	£0 - £125,000*	£0 - £150,000*	£0 - £150,000
1%	£125,001 - £250,000	£150,001 - £250,000	£150,001 - £250,000
3%	£250,001 - £500,000	£250,001 - £500,000	£250,001 - £500,000
4%	Over £500,000	Over £500,000	Over £500,000
5%	Over £1,000,000	Over £1,000,000	

*First time buyers can claim relief from SDLT on residential property transactions up to £250,000 between 25 March 2010 and 24 March 2012

Stamp Duty

Shares and securities rate 0.5%

Tax Credits

Working tax credit	2010-11	2011-12
Basic element – maximum	£1,920	£1,920

Childcare element: 80% of eligible costs up to £175 per week for one child, £300 for two or more children

Child tax credit	2010-11	2011-12
Child element per child – max	£2,300	£2,555
Family element	£545	£545
Baby addition - removed from April 2011	£545	

If only the Child Tax Credit is claimed, the threshold is £15,860 (2010-11 £16,190) p.a.

Pensions

Pension contributions	2010-11	2011-12
Lifetime allowance*	£1,800,000	£1,800,000
Maximum annual contribution	£255,000	£50,000
Tax on excess	40%	Marginal rate
Normal minimum pension age	55	55

* The lifetime allowance reduces to £1,500,000 on 6 April 2012.

Basic State Pension – per week	2010-11	2011-12
Single person	£97.65	£102.15
Additional re non-contributor wife	£58.50	£61.20
	(Total £156.15)	(Total £163.35)
Age addition over 80 (each)	£0.25	£0.25

Corporation Tax

	FY 2010		FY 2011	
	Profits band	Rate	Profits band	Rate
Small companies rate	£0-£300,000	21%	£0-£300,000	20%
Marginal rate	£300,001-£1,500,000	29.75%	£300,001-£1,500,000	27.50%
Standard rate Over	£1,500,000	28%	Over £1,500,000	26%

The standard rate will decrease by a further 1% each year until 2014/15 when the standard rate will be 23%