

## CORPORATION TAX

For financial year to 31 March 2012

Main rate	26%
Small companies' rate	20%
Upper profits limit	£1.5m
Lower profits limit	£300,000
Effective marginal rate	27.5%
Marginal rate fraction	3/200

## CAPITAL GAINS TAX

Standard rate	18%
Higher rate and trust rate	28%
Annual exemption	
For individuals, PRs and some trustees	£10,600
For most trustees	£5,300
Entrepreneurs' relief rate	10%
Entrepreneurs' relief life-time limit of gains	£10m

## INHERITANCE TAX

Rate	40%
Nil rate band	£325,000

## VAT

Standard rate of VAT	20%
Reduced rate	5%
Registration threshold	£73,000
Deregistration limit	£71,000
Threshold for annual accounting and cash accounting	£1.35m

# LK

Chartered Accountants

2011/12 Tax Rates

Suite D Pinbrook Court  
Venny Bridge EXETER EX4 8JQ

Tel: 01392 206444  
Fax: 01392 206449  
Email: [office@LKCA.co.uk](mailto:office@LKCA.co.uk)  
[www.LKCA.co.uk](http://www.LKCA.co.uk)

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## INCOME TAX RATES

Basic rate	20%
On income up to	£35,000
Higher rate	40%
On income between	£35,000— £150,000
Additional rate	50%
On income over	£150,000
Starting rate for savings income	10%
On income with first	£2,560
Lower dividend rate	10%
Higher dividend rate	32.5%
Additional dividend rate	42.5%
Trust rate	50%
Trust rate on dividends	42.5%

## INCOME TAX ALLOWANCES

Personal allowance (age under 65)	7,475
Personal allowance (age 65-74)	9,940
Personal allowance (age 75+)	10,090
Married couple's allowance	7,295
Married couple's allowance minimum amount	2,800
Income limit for personal allowance	100,000
Income limit for age related allowances	24,000
Blind person's allowance	1,980

## STAMP DUTIES

<b>Stamp Duty Land Tax</b>	
Based on consideration	
Commercial property £150,000 or less	Nil
Commercial property over £150,000 up to £250,000	1%
Residential property £125,000* or less	Nil
Residential property over £125,000* up to £250,000	1%
All property over £250,000 up to £500,000	3%
Commercial property over £500,000	4%
Residential property over £500,000 up to £1m	4%
Residential property over £1m	5%
* £150,000 for property in disadvantaged areas, £250,000 for first time buyers where completion is from 25/3/10 to 24/3/12	
<b>Stamp Duty (including Stamp Duty Reserve Tax)</b>	
Stocks and marketable securities	0.5%
No charge unless the duty exceeds £5	

## PENSIONS

Annual allowance	£50,000
Lifetime allowance	£1.8m
Permitted pension contribution (irrespective of salary)	3,600

## NATIONAL INSURANCE

Rates are per week unless stated

Lower earnings limit, primary Class I	£102
Upper earnings limit, primary Class I	£817
Upper Accruals Point	£770
Primary threshold	£139
Secondary threshold	£136
Employees' primary Class I rate	
Between PT and UEL	12%
Above UEL	2%
Employees' contracted-out rebate	
Salary related schemes	1.6%
Money-purchase schemes	1.6%
Married women's reduced rate	5.85%
Employers' secondary Class I rate	13.8%
Employers' contracted-out rebate	
Salary-related schemes	3.7%
Money-purchase schemes	1.4%
Class 1A rate on employer-provided benefits	13.8%
Class 2 rate	£2.50
Class 2 small earnings exception (year)	£5,315
Class 3 rate	£12.60
Class 4 lower profits limit (year)	£7,225
Class 4 upper profits limited (year)	£42,475
Class 4 rate between lower and upper Profits limit	9%
Class 4 rate above upper profits limit	2%