

# Budget tax tables

## Income tax allowances

	2014/15	2013/14
	£	£
<b>Personal allowance</b>		
General	10,000	9,440
Income limit	100,000	100,000
Born after 5.4.1938 but before 6.4.1948	10,500	10,500
Born before 6.4.1938	10,660	10,660
Age allowance income limit	27,000	26,100
Minimum where income exceeds age limit (subject to general income limit)	10,000	9,440
<b>Married couple's allowance<sup>1</sup> (relief at 10%)</b>		
Either partner born before 6.4.1935	8,165	7,915
Age allowance income limit	27,000	26,100
Minimum where income exceeds limit	3,140	3,040
<b>Blind person's allowance</b>	2,230	2,160

<sup>1</sup> Available for civil partners.

## Income tax rates

Taxable income £	Rate %
<b>2014/15</b>	
0 – 31,865	20
31,866 – 150,000	40
Over 150,000	45
<b>2013/14</b>	
0 – 32,010	20
32,011 – 150,000	40
Over 150,000	45

The starting rate limit for savings is £2,790 for 2013/14 and £2,880 for 2014/15. If an individual's taxable non-savings income exceeds the starting rate limit, the 10% starting rate for savings will not be available. From 6 April 2015, the starting rate for savings income will be reduced to 0% and the maximum amount of an individual's income limit that qualifies for this rate will increase to £5,000. If taxable non-savings income exceeds this limit, the 10% rate does not apply. Income from dividends is taxed at 10% within the starting and basic rate bands, at 32.5% in the higher rate band and at 37.5% thereafter (these rates are applied to the dividend grossed-up by a tax credit of 1/9). For 2013/14 and 2014/15, the trust rate of income tax is 45% and the dividend trust rate is 37.5%.

## National insurance contributions

2014/15		
Class 1 (Earnings related)	Not contracted out	Contracted out
Employees		
<i>Weekly earnings</i>		
First £153	Nil	Nil
£153.01 – £770	12%	10.6%
£770.01 – £805	12%	12%
Over £805	2%	2%

## Employers

<i>Weekly earnings</i>		
First £153	Nil	Nil
£153.01 – £770	13.8%	10.4%
Over £770	13.8%	13.8%

Employees' rates are reduced to 5.85% for married women with valid certificates of election but the 2% rate above £805 still applies. Rates are nil for employees over state pensionable age. Normal employers' contributions are still payable.

Employers also receive a rebate of 3.4% for contracted out schemes on earnings from £111 to £153 per week. A rebate of 1.4% on earnings from £111 to £153 per week is given to employees (or employers where insufficient contributions have been paid for offset).

**Class 1A and class 1B** – 13.8%

**Class 2** (self-employed) – flat rate £2.75 a week. Small earnings exemption £5,885 a year.

**Class 3** (voluntary contributions) – £13.90 a week.

**Class 4** (self-employed) – 9% of profits between £7,956 and £41,865 a year. 2% of profits above £41,865 a year.

## Inheritance tax

**Transfers after 5 April 2014 and before 6 April 2015**

### Death rates

Gross transfer	Rate %
Up to £325,000 <sup>1</sup>	Nil
Over £325,000	40 <sup>2</sup>

Chargeable lifetime transfers are initially charged at 20%. Annual gifts of up to £3,000 per donor are exempt.

<sup>1</sup> Unused nil rate band is transferable to spouse or civil partner.  
<sup>2</sup> 36% where 10% or more of the net estate is left to charity.

## Capital gains tax

Annual exempt amounts 2014/15	£
Individuals, disabled trusts, personal representatives for year of death and two years thereafter	11,000
Trusts generally	5,500

### Rates 2014/15

<i>Individuals</i>	
Standard rate	18%
Higher rate	28%
<i>Trustees and personal representatives</i>	28%
<i>Gains to which entrepreneurs' relief applies<sup>1</sup></i>	10%

<sup>1</sup> Subject to lifetime limit of gains of £10 million.

## Corporation tax

Financial year to	31/3/2015	31/3/2014
Full rate	21%	23%
Small profits rate	20%	20%
20% rate limit	£300,000	£300,000
marginal relief limit	£1,500,000	£1,500,000
marginal relief fraction	1/400	3/400
effective marginal rate	21.25%	23.75%

## Stamp taxes

Shares and marketable securities	0.5% <sup>1</sup>
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### Transfers of land and buildings (consideration paid)

Residential	Non-residential	Rate
£125,000 or less	£150,000 or less	Nil
£125,001–£250,000	£150,001–£250,000	1%
£250,001–£500,000	£250,001–£500,000	3%
£500,001–£1,000,000	Over £500,000	4% <sup>2</sup>
£1,000,001–£2,000,000	N/A	5% <sup>2</sup>
Over £2,000,000	N/A	7% <sup>2</sup>

### Leases (rent – net present value)

Residential	Non-residential	Rate
Up to £125,000	Up to £150,000	Nil
Over £125,000	Over £150,000	1%

### Premiums

Duty on premiums is the same as for transfers of land (but special rules apply to non-residential property where rent exceeds £1,000 annually).

<sup>1</sup> Rounded up to the nearest multiple of £5. Transactions of value £1,000 or less exempt.

<sup>2</sup> For residential property, 15% if purchase is by – or by a partnership including – a company or collective investment scheme enveloping the property.

## Car benefit

CO <sub>2</sub> emissions (2014/15) grams per km	% of list price	
	Petrol	Diesel
75	5	8
76–94	11	14
95	12	15
100	13	16
105	14	17
110	15	18
115	16	19
120	17	20
125	18	21
130	19	22
135	20	23
140	21	24
145	22	25
150	23	26
155	24	27
160	25	28
165	26	29
170	27	30
175	28	31
180	29	32
185	30	33
190	31	34
195	32	35
200	33	35
205	34	35
210	35	35

No charge applies to cars incapable of producing CO<sub>2</sub>.

## Car fuel benefit

For 2014/15, car fuel benefit is calculated by applying the above car benefit percentage to a figure of £21,700.

## Tax-free mileage allowances

### Employee's own vehicle

Motorcars and vans	2014/15
Up to 10,000 business miles	45p
Over 10,000 business miles	25p
Each passenger making same trip	5p
Motorcycles	24p
Cycles	20p

### Advisory fuel rates for company car from 1 March 2014

Cylinder capacity	Petrol	Diesel	LPG
Up to 1,400 cc	14p	–	9p
Up to 1,600 cc	–	12p	–
1,401 cc to 2,000 cc	16p	–	11p
1,601 cc to 2,000 cc	–	14p	–
Over 2,000 cc	24p	17p	17p

## Individual savings accounts

	Overall limit	Cash limit	Junior ISA limit
2014/15			
– after 30.6.14	£15,000	£15,000	£4,000
– before 1.7.14	£11,880	£5,940	£3,840
2013/14	£11,520	£5,760	£3,720

## Investment reliefs

	Investment limit	Income tax relief rate
Enterprise investment scheme	£1,000,000	30%
Venture capital trusts	£200,000	30%
Seed enterprise investment scheme	£100,000	50%
Social enterprise investment scheme	£1,000,000	30%

## VAT

Standard rate	20%
Lower rate	5%
Registration threshold from 1 April 2014	£81,000 pa
Deregistration limit from 1 April 2014	£79,000 pa

### VAT car fuel scale charges from 1 May 2014

CO <sub>2</sub> emissions grams per km	Quarterly returns £	Monthly returns £
120	156	52
125	234	78
130	251	83

135	266	88
140	282	94
145	297	99
150	313	104
155	328	109
160	345	115
165	360	120
170	376	125
175	391	130
180	408	136
185	423	141
190	439	146
195	454	151
200	470	156
205	485	161
210	502	167
215	517	172
220	533	177
225	548	182

## Capital allowances

	Rate %
<b>Dredging</b>	
(straight-line basis)	
Writing-down allowance	4
<b>Business premises renovation</b>	
Initial allowance	100
Writing-down allowance for unrelieved expenditure (straight-line basis)	25
<b>Know-how</b>	
(reducing balance basis)	
Writing-down allowance	25
<b>Mineral extraction</b>	
(reducing balance basis)	
<i>Writing-down allowances</i>	
General	25
Acquisition of mineral asset	10
<b>Patent rights</b>	
(reducing balance basis)	
Writing-down allowance	25
<b>Plant and machinery</b>	
(reducing balance basis)	
Annual investment allowance (max £500,000)	100
<i>First-year allowances</i>	
Energy-saving or environmentally beneficial assets	100
New cars with CO <sub>2</sub> emissions not exceeding 95g/km	100
New zero-emission goods vehicles	100
New assets for use in designated areas of enterprise zones	100

## Writing-down allowances

General	18
Cars (other than low-emission cars)	8
Special rate expenditure (including integral features and thermal insulation)	8
Long-life assets	8
<b>Research and development</b>	
Allowance	100

## Registered pension schemes

### Individual contributions

Maximum tax-relievable contributions are the higher of:

- 100% of taxable UK earnings; or
- £3,600 (where the scheme applies tax relief at source).

### 2014/15

Annual allowance	£40,000
Lifetime allowance	£1,250,000

### 2013/14

Annual allowance	£50,000
Lifetime allowance	£1,500,000

*Any unused annual allowance can be carried forward for up to three years.*

## Tax credits

Annual amounts 2014/15	£
<b>Child tax credit</b>	
Family element	545
Child element (for each child)	2,750
Addition for disabled child	3,100
Severe disabled child enhancement	1,255

### Working tax credit

Basic element	1,940
Lone parent and couple element	1,990
30-hour element	800
Disability element	2,935
Severe disability element	1,255
Childcare element (up to 70% of costs)	<b>Weekly</b>
maximum eligible cost (1 child)	175
maximum eligible cost (2 or more)	300

### Income thresholds

First income threshold	6,420
eligible for child tax credit only	16,010
Withdrawal rate	41%
Income rise disregard	5,000
Income fall disregard	2,500