

Corporation Tax

	FY 2017	FY 2016
Main rate	19%	20%
Loans to participators	32.5%	32.5%

VAT

Amounts	Rates	
Annual registration limit (from 1 April 2017)	£85,000	Standard rate 20%
Annual deregistration limit (from 1 April 2017)	£83,000	Reduced rate 5%
VAT Cash accounting scheme threshold	£1,350,000	Zero rate 0%
VAT Annual accounting scheme threshold	£1,350,000	

Car, Van & Fuel Benefits

Company cars

The annual benefit for company cars is based on a percentage of the list price. The percentage rate is dependant on the level of CO₂ emissions. The rate is 9% for emissions to 50g/km, 13% for emissions of 51-75g/km and 17% for emissions of 76-94g/km. The rate increases by 1% for each additional 5g/km above 94g/km to a maximum rate of 37%, reached at 190g/km or more.

There is a diesel supplement of 3% for all bands, subject to a maximum rate of 37%.

Car fuel benefit

£22,600 × 'appropriate percentage' (percentage used to calculate the taxable benefit of the car for which the fuel is provided).

The charge is reduced if provision of private fuel ceases part way through the year. The fuel benefit is reduced to nil if the employee pays for all private fuel.

Van benefit per vehicle

	2017-18	2016-17
Van benefit	£3,230	£3,170
Fuel benefit	£610	£598

Mileage Allowance Payment

Rate per mile

	2017-18	2016-17
Cars & vans		
- up to 10,000 miles	45p	45p
- over 10,000 miles	25p	25p
Motorcycles	24p	24p
Bicycles	20p	20p

These rates represent the maximum tax free mileage allowances for employees using their own vehicles for business. Any excess is taxable. If the employee receives less than the statutory rate, tax relief can be claimed on the difference.

Insurance Premium Tax (IPT)

The main rate of IPT will increase to 12% from 10% on 1 June 2017.

The higher rate of IPT remains at 20%.

The information in this tax card is based upon the March 2017 Budget and other earlier announcements and may be subject to amendment by the Finance Act.

Inheritance Tax

	2017-18	2016-17
Nil rate band for individuals*	£325,000	£325,000
Thereafter - lifetime gifts**	20%	20%
- lower rate on death***	36%	36%
- on death	40%	40%
Residence nil rate band	£100,000	-

* 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.

*** A lower rate applies where 10% or more of the net estate is left to charity.

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 up to 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%

Key Dates and Deadlines

Payment dates

	2017-18	2016-17
Income Tax and Class 4 NICs:		
- First interim Income Tax payment	31 January 2018	31 January 2017
- Second interim Income Tax payment	31 July 2018	31 July 2017
- Final balancing Income Tax payment	31 January 2019	31 January 2018
Capital Gains Tax payment	31 January 2019	31 January 2018

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

2016-17 Return filing deadlines

Issue P60s to employees	31 May 2017
Forms P9D, P11D and P11D(b)	6 July 2017
- and appropriate copies to employees	
Self Assessment Tax Return (SATR) – paper version	31 October 2017
SATR Online to have unpaid tax of up to £17,000 (depending on income levels) collected through the 2018-19 PAYE code	30 December 2017
SATR Online	31 January 2018

GDO
& CO

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CHARTERED ACCOUNTANTS

TAX CARD 2017-18

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Income Tax

Bands	2017-18	2016-17
Savings starting rate – 0%*	£0 - £5,000	£0 - £5,000
Basic rate – 20%	£0 - £33,500	£0 - £32,000
Higher rate – 40%	£33,501 - £150,000	£32,001 - £150,000
Additional rate – 45%	Over £150,000	Over £150,000
Scottish Basic rate – 20%**	£0 - £31,500	-
Scottish Higher rate – 40%**	£31,501 - £150,000	-
Scottish Additional rate – 45%**	Over £150,000	-

* Savings income is taxed at 0% up to £5,000 (2016-17: 0% up to £5,000). If an individual's taxable non-savings income exceeds £5,000, then the starting rate limit for savings will not be available.

** The Scottish Rate of Income Tax (SRIT) is payable on the non-savings and non-dividend income of those defined as Scottish taxpayers.

Dividend allowance	£5,000	£5,000
Dividend ordinary rate	7.5%	7.5%
Dividend upper rate	32.5%	32.5%
Dividend additional rate	38.1%	38.1%
Personal savings allowance		
- basic rate taxpayers	£1,000	£1,000
- higher rate taxpayers	£500	£500

Reliefs	2017-18	2016-17
Personal allowance	£11,500	£11,000
Registered blind person's allowance	£2,320	£2,290
Income limit for personal allowance*	£100,000	£100,000

* The personal allowance is withdrawn by £1 for every £2 of income over £100,000.

Married couples allowance – tax relief given at 10%		
- Born before 6 April 1935	£8,445	£8,355
- Minimum amount	£3,260	£3,220
- Income limit	£28,000	£27,700
Marriage allowance*	£1,150	£1,100

* A taxpayer can transfer up to £1,150 (2016-17: £1,100) of their unused personal allowance to a spouse or civil partner who is not a higher rate taxpayer.

High Income Child Benefit Charge* on income over	£50,000	£50,000
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* The tax charge is levied at the rate of 1% of the Child Benefit award for each £100 that income exceeds £50,000, up to a maximum of 100% of the benefit claimed.

There is a cap on Income Tax reliefs being the greater of £50,000 or 25% of income.

Pensions

Contributions	2017-18	2016-17
Lifetime allowance	£1,000,000	£1,000,000
Maximum annual contribution	£40,000	£40,000
Tax on excess	Marginal rate	Marginal rate
Normal minimum pension age	55	55

The annual allowance is tapered for taxpayers whose income exceeds £150,000. The allowance is reduced by £1 for every £2 that an individual's income exceeds £150,000, down to a minimum of £10,000 for individuals with income of £210,000 or more.

National Insurance

Class 1 (employed)

Earnings limits (weekly)	Employee (primary)	Earnings limits (weekly)	Employer (secondary)
Up to £113 (LEL)	0%	Up to £157 (ST)	0%
£113.01 to £157 (PT)	0%	Over £157	13.8%
£157.01 to £866 (UEL)	12%		
Over £866	2%		

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) £2.85 per week (unless earnings below £6,025 pa)

Class 3 (voluntary) £14.25 per week

Class 4 (self-employed) 9% of profits between £8,164 and £45,000 pa plus 2% on profits above £45,000

A National Insurance allowance of £3,000 (2016-17: £3,000) is available to offset against employers' Class 1 secondary NICs subject to certain restrictions.

No employers' contributions are payable in respect of weekly earnings up to £866 (2016-17: £827) paid to employees under 21 nor for qualifying apprentices aged under 25.

Capital Gains Tax

Annual exempt amount	2017-18	2016-17
Individuals	£11,300	£11,100
Trusts	£5,650	£5,550

Rates	2017-18	2016-17
Standard rate taxpayers*	10%	10%
Higher rate taxpayers / Trustees*	20%	20%

* There is an 8% surcharge on the sale of chargeable residential property and carried interest (the share of profits or gains that is paid to asset managers).

Entrepreneurs' Relief lifetime limit	£10,000,000	£10,000,000
Entrepreneurs' Relief rate	10%	10%
Investors' Relief lifetime limit	£10,000,000	£10,000,000
Investors' Relief rate	10%	10%

Capital Allowances

	2017-18	2016-17
Plant and machinery		
- Main writing down allowance	18%	18%
- Long life assets, integral fixtures	8%	8%
- First year allowances	100%	100%
- R&D tax credits SME Scheme	230%	230%
- Large company above the line credit	11%	11%
- Annual Investment Allowance (AIA)	£200,000	£200,000

The allowance for cars with CO₂ emissions up to and including 130g/km is 18% (2016-17: 18%) and 8% for cars with CO₂ emissions over 130g/km (2016-17: 8%).

A rate of 100% applies to cars with CO₂ emissions of 75g/km or less. The limits of 75g/km and 130g/km are to be reduced to 50g/km and 110g/km from 1 April 2018.

Stamp Duty and Annual Tax on Enveloped Dwellings

Shares and securities rate 0.5%.

The Annual Tax on Enveloped Dwellings (ATED) is payable by certain non-natural persons that own interests in dwellings valued at more than £500,000.

Stamp Duty Land Tax (SDLT)

Property in England, Wales and Northern Ireland

Rates	Residential property	Rates	Non-residential and mixed use property
Zero	£0 - £125,000	Zero	£0 - £150,000
2%	£125,001 - £250,000	2%	£150,001 - £250,000
5%	£250,001 - £925,000	5%	Over £250,000
10%	£925,001 - £1,500,000		
12%	Over £1,500,000		

These rates are applied on a graduated basis with the portion of the purchase price within each tier charged at the applicable rate.

A 15% rate is applied to certain residential properties held in a 'corporate envelope' costing over £500,000.

A higher rate of SDLT applies to purchases of additional residential property such as buy to let and second homes. This rate is 3% higher than the current SDLT rates and applies to the purchase of additional residential properties valued at over £40,000.

Scotland: Land & Buildings Transaction Tax (SLBTT)

Property in Scotland

Rates	Residential property	Rates	Non-residential and mixed use property
Zero	£0 - £145,000	Zero	£0 - £150,000
2%	£145,001 - £250,000	3%	£150,001 - £350,000
5%	£250,001 - £325,000	4.5%	Over £350,000
10%	£325,001 - £750,000		
12%	Over £750,000		

These rates are applied on a graduated basis with the portion of the purchase price within each tier charged at the applicable rate.

There is an additional SLBTT dwelling supplement of 3% on purchases of additional residential properties.

Tax Favoured Investments

Individual Savings Account (ISA)	2017-18	2016-17
ISA limit	£20,000	£15,240
Lifetime ISA	£4,000	-
Junior ISA	£4,128	£4,080

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 up to £1,000,000.

Seed Enterprise Investment Scheme

Income Tax relief of 50% on maximum £100,000 with rollover of chargeable gains.