

2011 Budget: UK tax data card 2011/12

INCOME TAX

Income tax bands of taxable income - £ per year

	2010-11	2011-12
Basic Rate (1)	0-37,400	0 – 35,000
Higher Rate	37,401 -150,000	35,001 –150,000
Additional Rate	Over 150,000	Over 150,000

1 There is a starting rate for savings income only. If an individual's taxable non-savings income exceeds the starting rate limit, then the 10% starting rate for savings will not be available for savings income. The starting rate limit for 2010-11 is £2,440 and for 2011-12 it is £2,560.

Income tax rates	2010-11	2011-12
Basic Rate	20%	20%
Higher Rate	40%	40%
Additional Rate	50%	50%

Dividend Ordinary Rate for dividends otherwise taxable at the basic rate (effective rate with tax credit)	10%	10%
	(0%)	(0%)

Dividend Upper Rate for dividends otherwise taxable at the higher rate (effective rate with tax credit)	32.5%	32.5%
	(25%)	(25%)

<i>Dividend</i> Additional Rate for dividends otherwise taxable at the additional rate (effective rate with tax credit)	42.5%	42.5%
	(36.1%)	(36.1%)

Special Rates for Trustees' Income	2010-11	2011-12
Standard rate on first £1000 of income which would otherwise be taxable at the special rates for trustees.	Up to 20% depends on the type of Income	Up to 20% depends on the type of Income

Trust rate	50%	50%
Dividend trust rate	42.5%	42.5%

Income tax allowances - £ per year	2010-11	2011-12
Personal allowance*		
Age under 65 (1)	6,475	7,475
Age –related allowance 65-74 (1, 2)	9,490	9,940
Age –related allowance 75+ (1, 2)	9,640	10,090
Income limit for under 65 personal Allowance	100,000	100,000
Income limit for age-related Allowances	22,900	24,000
Married couples allowance (2, 3)		
Maximum amount of married couple's Allowance	6,965	7,295
Minimum amount of married couple's allowance (4)	2,670	2,800
Blind Persons Allowance	1,890	1,980

1. This allowance reduces where the income is above £100,000 - by £1 for every £2 of income above the £100,000 limit. This reduction applies irrespective of age.
2. These allowances reduce where the income is above the income limit for age-related allowances (£24,000) by £1 for every £2 of income above the limit until they reach the level of the personal allowance for those aged under 65.
3. Available to people born before 6 April 1935. Tax relief for this allowance is given at 10 per cent.
4. This is also the maximum relief for maintenance payments where at least one of the parties was born before 6 April 1935.

2011 Budget: UK tax data card 2011/12

NATIONAL INSURANCE CONTRIBUTIONS

Employee & employer - rates & thresholds

-£ per week unless stated	2010-11	2011-12
Lower Earnings Limit (LEL) for Class 1 NICs	97.00	102.00
Upper Earnings Limit (UEL) for Employees' (Primary) Class 1 NICs	844.00	817.00
Upper Accrual Point (UAP)	770.00	770.00
Primary Threshold	110.00	139.00
Secondary Threshold	110.00	136.00

Employee's (primary) Class 1 contribution rates

2010-11 weekly earnings from £110.01 to £844.00 Earnings Limit	11%	N/A
2010-11 weekly earnings above £844.00	1%	N/A
2011-12 weekly earnings from £139.01 to £817.00	N/A	12%
2011-12 weekly earnings above £817.00	N/A	2%

Employee's contracted out rebate

For both salary related (COSR) and money purchase (COMP) schemes between LEL & UAP	1.6%	1.6%
--	------	------

Married women's reduced rate for (primary) class 1 contribution rates*

2010-11 weekly earnings from £110.01 to £844.00 Earnings Limit	4.85%	N/A
2010-11 weekly earnings above £844.00	1%	N/A
2011-12 weekly earnings from £139.01 to £817.00	N/A	5.85%
2011-12 weekly earnings above £817.00	N/A	2%

Employer's (secondary) Class 1 contribution rates

2010-11 weekly earnings above £110.00	12.8%	N/A
2011-12 weekly earnings above £136.00	N/A	13.8%

Employer's contracted out rebate -

Employers contracted our rebate – salary related schemes (COSR) between LEL and UAP	3.7%	3.7%
Employers contracted our rebate- money purchase schemes (COMP) between LEL and UAP	1.4%	1.4%

*The reduced rate applies to women married before 6 April 1977 who have elected to pay a reduced rate of class 1 contributions.

Self employed and others - rates and thresholds (£ per week unless stated)

Class 2 National insurance contributions*	2010-11	2011-12
Self employed- class 2 NICs	2.40	2.50
Small earnings annual exception level –class 2 NICs	5,075	5,315
Volunteer development workers –class 2 NICs	4.85	5.10
Share fishermen –class 2 NICs	3.05	3.15
Class 3 National insurance contributions		
Voluntary contributions	12.05	12.60
Class 4 National Insurance contributions		
2010-11 annual profits below Lower Profits Limit £5,715	Nil	N/A
2010-11 annual profits above Lower Profits Limit £5,715 but below Upper Profits Limit £ 43,875	8%	N/A
2010-11 annual profits above Upper Profits Limit £ 43,875	1%	N/A
2011-12 annual profits below Lower Profits Limit £7,225	N/A	Nil
2011-12 annual profits above Lower Profits Limit £7,225 but below Upper Profits Limit £42,475	N/A	9%
2011-12 annual profits above Upper Profits Limit £42,475	N/A	2%

*Class 2 NICs are paid by all self-employed persons. Those with profits less than, or expected to be less than, the level of the small earnings exception may apply for exemption from paying Class 2 contributions.

ROBINSON UDALE

2011 Budget: UK tax data card 2011/12

PENSIONS SAVINGS- TAX RELIEF

	2010-11	2011-12
	allowance limit	allowance limit
Lifetime allowance	£1.8 million	£1.8million
Annual allowance	£255,000	£50,000

CAPITAL GAINS TAX

Tax Year	2010-11	2011-12
Rates for individuals	Gains before 23 June: 18% Gains on or after 23 June: 18% / 28% (note 2)	18% / 28% (note 4)
Rates for trustees and personal representatives	Gains before 23 June: 18% Gains on or after 23 June: 28% (note 3)	28%
Annual Exempt Amount (AEA) for individuals and personal representatives (note 1)	£10,100	£10,600
Annual Exempt Amount (AEA) for most trustees	£5,050	£5,300
Rate on gains subject to Entrepreneurs' Relief	10% (note 3)	10%
Capital Gains Entrepreneurs' Relief	2010-11	2011-12
	6 April – 22 June	23 June – 5 April
Entrepreneurs' relief lifetime limit of gains	£2,000,000	£5,000,000
		£10,000,000

Notes

1. **Personal representatives** are entitled to the annual exempt amount for the tax year in which the individual dies and the next two years.
2. **Individuals** gains from 23 June 2010 are charged at 18% up to the limit of the basic rate income tax band (if any), and at 28% on gains above that limit.
3. **Tax Year 2010-11:** Where **Entrepreneurs' Relief** applies, gains before 23 June 2010 are reduced by 4/9 and charged at 18%; qualifying gains on or after 23 June 2010 are charged at 10% (with no 4/9 reduction).
4. **Tax Year 2011-12: Rates for Individuals** 18% up to the limit of the basic rate income tax band (if any) **and** 28% on gains above that limit.
5. **Companies** are not within the charge to Capital Gains Tax. Corporation Tax rules apply.

INDIVIDUAL SAVINGS ACCOUNT

	2010-11	2011-12
Cash value of ISA limit	£10,200, up to £5,100	£10,680, up to £5,340 of which can be saved in cash

INHERITANCE TAX

	2010-11	2011-12
Rate	40%	40%*
Nil Rate band	£325,000	£325,000

*Budget 2011 announced that from April 2012, a reduced rate of IHT of 36% will be introduced where 10 per cent or more of the net estate is left to charity

ROBINSON UDALE

2011 Budget: UK tax data card 2011/12

CORPORATION TAX - RATES

Level of profits	Financial Year 2010	Financial Year 2011	Financial Year 2012
£0 - £300,000 - small profits rate	21%	20%	TBA
£300,001 - £1,500,000 Marginal rate fraction	Marginal rate 7/400th	Marginal rate 3/200th	Marginal rate TBA
£1,500,001 or more – main rate	28%	26%	25%

Corporation tax - allowances and reliefs

	Financial Year 2010	Financial Year 2011	Financial Year 2012
Plant and machinery: Main rate expenditure	20%	20%	18%
Plant and machinery: Special rate expenditure	10%	10%	8%
Annual investment Allowance	100,000	100,000	25,000
Energy saving and water efficient products	100%	100%	100%
R&D tax credits SME scheme	175%	200% (Subject to State aid approval).	225% (Subject to State aid approval).
R&D tax credits Large companies scheme	130%	130%	130%

VALUE ADDED TAX (VAT)

	January 2011-April 2011	April 2011-12
Standard rate	20%	20%
Reduced rate	5%	5%
Zero rate	0%	0%
Exempt	n/a	n/a

Value Added Tax (VAT) – Registration and Deregistration thresholds

	From April 2010	From April 2011
VAT -registration threshold	70,000	73,000
VAT-deregistration threshold	68,000	71,000

STAMP DUTY LAND TAX

Rate	Threshold 2010-11		Threshold 2011-12	
	Residential	Non-residential	Residential	Non-residential
0%	£0 – 125,000	£0 – 150,000	£0 – 125,000	£0 – 150,000
1%	£125,001 –250,000	£150,001 –250,000	£125,001 –250,000	£150,001 –250,000
3%	£250,001 –500,000	£250,001 –500,000	£250,001 –500,000	£250,001 –500,000
4%	Over £500,000	Over £500,000	£500,001 –£1,000,000	Over £500,000
5%	n/a	n/a	Over £1,000,000	n/a

This data was prepared on Budget day 23 March 2011. It is a brief overview for temporary reference and general guidance on matters of interest only, and does not constitute professional advice. You should not act upon the information contained in this publication without obtaining specific professional advice. No representation or warranty (express or implied) is given as to the accuracy or completeness of the information contained in this publication, and, to the extent permitted by law, Robinson Udale Ltd, its members, employees and agents do not accept or assume any liability, responsibility or duty of care for any consequences of you or anyone else acting, or refraining to act, in reliance on the information contained in this publication or for any decision based on it.