



Warrener Stewart

Chartered Accountants • Intelligent Advisors

Tax Data

2016/17

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Warrener Stewart Limited No 07513468

Income Tax

	2016-17	2015-16
Basic rate band – income up to	£32,000	£31,785
Starting rate for savings income	*0%	*0%
Basic rate	20%	20%
Dividend ordinary rate	**7.5%	0%
Higher rate – income over	£32,000	£31,785
Higher rate	40%	40%
Dividend upper rate	**32.5%	25%
Additional rate – income over	£150,000	£150,000
Additional rate	45%	45%
Dividend additional rate	**38.1%	30.6%
Starting rate limit (savings income)	*£5,000	*£5,000

For 2016/17 Scottish taxpayers effectively subject to the same income tax rates as rest of UK. *If an individual's taxable non-savings income exceeds starting rate limit, then starting rate limit for savings will not be available for savings income. For 2016/17, £1,000 of savings income for basic rate taxpayers (£500 higher rate) may be tax-free. **For 2016/17 first £5,000 of dividends tax-free.

Personal allowances (PA)

Born after 5 April 1938	£11,000	£10,600
Born before 6 April 1938	*£11,000	*£10,660

Married couple's allowance (MCA) (relief 10%)

Either partner born before 6 April 1935	*£8,355	*£8,355
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Transferable Tax Allowance

for certain married couples (relief 20%)	£1,100	£1,060
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*Allowances are reduced by £1 for every £2 that adjusted net income exceeds £27,700 to a minimum PA of £11,000 (£10,600) and to a minimum MCA of £3,220. Where adjusted net income exceeds £100,000, PA is reduced in the same way until it is nil regardless of the individual's date of birth.

Tax Shelters

Venture Capital Trust up to	£200,000	£200,000
Enterprise Investment Scheme up to	£1,000,000	£1,000,000
Seed Enterprise Investment Scheme up to	£100,000	£100,000
Social Investment Tax Relief	£1,000,000	£1,000,000

Tax-Free Savings Accounts for 2016-17

ISA subscription limit £15,240; Junior ISA and CTF subscription limit £4,080.

Pension Contributions

There is no financial limit on the amount that may be contributed to a registered pension scheme. The maximum amount on which an **individual** can claim tax relief in any tax year is the greater of the individual's UK relevant earnings or £3,600 (gross). If **total pension input** exceeds the **annual allowance** (£40,000) there may be a tax charge on the excess. From 6 April 2016 the annual allowance may be reduced by £1 for every £2 of adjusted income over £150,000 to a minimum of £10,000.

Maximum age for tax relief		74
Minimum age for taking benefits		55
Lifetime allowance charge	– lump sum paid	55%
	– monies retained	25%
on cumulative benefits exceeding		£1 million*
Maximum tax-free lump sum		25%*

*Subject to transitional protection for excess amount.

Company Cars and Vans

Company car benefit is calculated by applying the appropriate percentage (based on the car's CO₂ emissions – see table below) to the car's UK list price.

CO ₂ emissions (g/km)	Appropriate %		CO ₂ emissions (g/km)	Appropriate %	
	Petrol	Diesel		Petrol	Diesel
0 - 50	7	10	150 - 154	27	30
51 - 75	11	14	155 - 159	28	31
76 - 94	15	18	160 - 164	29	32
95 - 99	16	19	165 - 169	30	33
100 - 104	17	20	170 - 174	31	34
105 - 109	18	21	175 - 179	32	35
110 - 114	19	22	180 - 184	33	36
115 - 119	20	23	185 - 189	34	37
120 - 124	21	24	190 - 194	35	
125 - 129	22	25	195 - 199	36	
130 - 134	23	26	200 and above	37	
135 - 139	24	27			
140 - 144	25	28			
145 - 149	26	29			

Company car fuel benefit is charged unless the cost of all fuel for private use is borne by the employee. The taxable benefit is calculated by applying the appropriate % to the car fuel benefit charge multiplier (£22,200).

Where VAT is to be reclaimed on fuel for private use, the employer also has to account for output tax based on a flat rate charge derived from the vehicle's CO₂ emissions.

Company van benefit is generally not related to CO₂ emissions but is a set figure of £3,170 with an extra £598 where fuel for private use is provided. Van benefit charge for zero emission vans £634.

Employees using their own cars for business:

Approved mileage allowance payments are 45p per mile for the first 10,000 miles in the tax year and 25p thereafter. Income tax and NICs may be due on higher rates and tax relief may be available on lower rates.

Value Added Tax

From	1 April 2016
Standard Rate	20%
VAT Fraction	1/6
Reduced Rate	5%

Current Turnover Limits

Registration	– last 12 months or next 30 days over	£83,000 from 1 April 2016
Deregistration	– next year under	£81,000 from 1 April 2016
Annual and Cash Accounting Schemes		£1,350,000
Flat Rate Scheme		£150,000

Stamp Duty Land Tax

On the transfer of property[†], the Stamp Duty Land Tax is:

	Residential	Non-Residential
Value up to £125,000*	0%	0%
Over £125,000* – £250,000	2%	2%
Over £250,000 – £925,000 [†]	5%	5%
Over £925,000 [†] – £1,500,000 [†]	10%	5%
Over £1,500,000 [†]	12%	5%

Residential SDLT calculated on the consideration falling within each band. Additional SDLT of 3% may apply to the purchase of additional residential properties from 1 April 2016. Non-residential SDLT is also calculated on the consideration falling within each band. * Non-residential £150,000. † Residential Property Only. * From 1 April 2015 the Land and Buildings Transaction Tax replaced SDLT in Scotland. Contact us for advice.

National Insurance Contributions

Class 1

Payable on weekly earnings of:

	Employee (primary)	Employer (secondary)
Below £112 (lower earnings limit)	Nil	–
£112 - £155 (primary threshold)	*0%	–
Up to £156 (secondary threshold)	–	Nil
Above £156	–	13.8%
£155.01 - £827 (upper earnings limit)	**12%	–
£156.01 - £827 (under 21s and apprentices under 25)	–	0%
Above £827	**2%	–

*No NICs are actually payable but notional Class 1 NIC is deemed to have been paid; this protects contributory benefit entitlement. **Over state pension age, the employee contribution is generally nil.

Employment Allowance

up to £3,000 (per year)

Class 1A On relevant benefits

13.8%

Class 2 Self employed

£2.80 per week

Small profits threshold

£5,965 per annum

Class 3 Voluntary

£14.10 per week

Class 3A Voluntary contributions may be available to 5 April 2017 in order to obtain extra additional State Pension (maximum £25 a week) – variable rates according to age.

Class 4 Self employed on annual profits

£8,060 - £43,000

*9%

Excess over £43,000

*2%

*Exemption applies if state pension age was reached by 6 April 2016.

Capital Gains Tax

On chargeable gains	2016-17
Total taxable income and gains	
Up to £32,000	10%
From £32,001	20%
Trust rate	20%

Higher rates may apply to the disposal of certain residential property.

Entrepreneurs' relief

Qualifying gains will be taxed at 10%. Claims may be made on more than one occasion up to a 'lifetime' total of £10m.

Annual exempt amount – individuals £11,100 and most trustees £5,550.

Inheritance Tax

	2016-17	2015-16
Standard threshold	£325,000	£325,000
Combined threshold maximum for married couples and civil partners	£650,000	£650,000
Rate of tax on balance:		
Chargeable lifetime transfers	20%	20%
Transfers on, or within 7 years of, death	40%	40%
subject to a tapered reduction for transfers between 7 and 3 years before death		

Exemptions may be available; please contact us for relevant information and advice.

Capital Allowances

Plant and Machinery

Investment for use in Enterprise Zones, energy saving and environmentally beneficial equipment, new zero-emission goods vehicles, new low CO₂ emission (up to 75g/km) cars, natural gas/hydrogen refuelling equipment.

First Year allowance (FYA) **100%**

Annual Investment Allowance (AIA)

100%*

– on first £200,000 of investment

Excludes cars and expenditure already qualifying for 100% FYA

Writing Down Allowance on expenditure not qualifying for AIA or FYA:

Long-life assets, integral features of buildings, cars over 130g/km **8%**

Other plant and machinery **18%**

Business premises renovation

maximum initial allowance **100%**

**Transitional rules may apply.*

Corporation Tax

Financial Year to	31 March 2017	31 March 2016
Corporation Tax rate	20%	20%

Selected Rates

Basic Retirement Pension

– Single person	£119.30
– Couple	£190.80

Pension Credit Standard Minimum Guarantee

– Single person	£155.60
– Couple	£237.55

New State Pension

£155.65

Child Benefit is paid at £20.70 (first eligible child) or £13.70 (each subsequent child).

Statutory Pay qualification – average weekly earnings (AWE) £112 or over.

Sick (SSP) The standard rate is £88.45 per week for up to 28 weeks.

Maternity (SMP), Adoption (SAP) and Paternity (SPP) paid at the lower of £139.58 or 90% of AWE apart from first 6 weeks of SMP which is paid at 90% of AWE. **SMP** and **SAP** are payable for up to 39 weeks. **SPP** is payable for up to 2 weeks.

Jobseeker's Allowance is paid at £73.10 (single person – 25 or over) or £114.85 (couple – both 18 or over).

Universal Credit (monthly rates) – Standard allowance for a single person (25 or over) is £317.82. The couple's rate (where one or both are 25 or over) is £498.89. The new Universal Credit is being phased in gradually.

National Living Wage Workers aged 25 and over – £7.20 from April 2016.

National Minimum Wage

Age	21-24	18-20	16 and 17	Apprentices*
From 1 October 2015	£6.70	£5.30	£3.87	£3.30
From 1 October 2016	£6.95	£5.55	£4.00	£3.40

* Rate applies to apprentices under 19, or 19 and over in the first year of apprenticeship.

Key Dates & Deadlines

Payment Dates		2016-17	2015-16
Income Tax and Class 4 NICs			
1st payment on account	31 January	2017	2016
2nd payment on account	31 July	2017	2016
Balancing payment	31 January	2018	2017
Capital Gains Tax	31 January	2018	2017
Class 1A NICs	19 July	2017	2016

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

2015-16 Returns Filing Deadlines

31 May 2016	Issue P60s to employees
6 July 2016	P11D and P11D(b) – and appropriate copies to employees
31 October 2016	Self Assessment Tax Return (SATR) – paper version
30 December 2016	SATR Online where outstanding tax (subject to cap) to be included in 2017-18 PAYE code
31 January 2017	SATR Online

Under Real Time Information most employers must notify HMRC of payments and deductions on or before the time of payment. Some concessions apply. Budget Day edition. Rates subject to change – contact us for latest. For general guidance only, no responsibility is taken for action taken or refrained from in consequence of card contents.