

MAIN CHANGES IN 2015/16

- Income Tax Rates at: 20% on first £31,785 Taxable Income (£31,865): then @ 40%. Additional Rate: 45% above £150,000 (45%).
- Personal Allowance £10,600 (£10,000).
- NIC Employees 12% on £155 - £815 p.wk (12% on £153 - £805)
2% above £815 (2% above £805)
Employers 13.8% above £156 p.wk (13.8% above £153).

Self Employed Class 4 9% on £8,060-£42,385 (£7,956-£41,865). Excess at 2%.

- Company Car Benefit CO₂ Threshold 100 gm/km (110). Van BIK £3,150 + £594 Fuel.
 - Fuel Scale Charge Multiplier £22,100 (£21,700).

- VAT Registration Limit £82,000 (£81,000). Deregistration Limit £80,000 (£79,000).

Stamp Duty Land Tax wef. 4.12.2014	Up to £125,000	1%
	£125,001 - £250,000	2%
	£250,001 - £925,000	5%
	£925,001 - £1,500,000	10%
	Over £1,500,000	12%
Rates Applied to Each Slice		

- Corporation Tax 21% (21%). Small Companies 20% (20%).
- Annual Investment Allowance = £500,000 (£500,000) to 31 December 2015 then £25,000.
- Pensions Contributions Limit £40,000 (£50,000). Lifetime Allowance £1.25m (£1.25m).
- Capital Gains Allowance £11,100 (£11,000). Tax Rate @ 18% / 28% (18% / 28%).

The **BCS** Partnership provide:-

- ~ Accounts & Tax Returns
- ~ Tax Planning & Tax Saving Advice
- ~ Employee Share Plans
- ~ Salary Sacrifice Benefits
- ~ Car Allowance Plans



The content of Tax Focus is intended to provide a general guide to the main tax rates and should not be regarded as a basis for ascertaining liability to tax or determining investment strategy. Specialist advice should be taken

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TAX FOCUS

2015/16

Based on the Budget Speech Wednesday 18th March 2015

For a full summary visit our website at www.bcspart.co.uk



Chartered
Management
Accountants

Supporting people to improve
wealth and reward

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Registered in England & Wales Co. No. 2841028

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INCOME TAX RATES

TAX RATES		2015/16	2014/15	2013/14	2012/13	2011/12	2010/11	2009/10
Earned Income		Taxable Earned Income £'s p.a.						
20% Basic Rate	First	31,785	31,865	32,010	34,370	35,000	37,400	37,400
40% Higher Rate	Above	31,786+	31,866+	32,011+	34,371+	35,000+	37,400+	37,400+
45% Additional Rate	Above	150,000+	150,000+	150,000+				
50% Additional Rate	Above				150,000+	150,000+	150,000+	

Other Income								
Savings Income (only)		10%/20%*	10%/20%*	10%/20%*	10%/20%*	10%/20%*	10%/20%*	10%/20%
Higher Rate		40%	40%	40%	40%	40%	40%	40%
Discretionary Trusts**		20%/45%	20%/45%	20%/50%	20%/50%	20%/50%	20%/40%	20%/40%
Dividends (Gross Rate***)		10%/32.5%	10%/32.5%	10%/32.5%	10%/32.5%	10%/32.5%	10%/32.5%	10%/32.5%
Trust Dividends		45.0%	45.0%	45.0%	42.5%	42.5%	42.5%	42.5%

* 10% If Income below £5000 (£2880) ** Above £1,000 2011/12 (Previously £500) *** Adnl. Rate @ 37.5%

MAIN ALLOWANCES

£'s p.a	2015/16	2014/15	2013/14	2012/13	2011/12	2010/11	2009/10
Personal-Earned	10,600*	10,000*	9,440*	8,105*	7,475*	6,475*	6,475
Married Allice. Transferable	1,060*						
Married Couple 77+**	8,355 ³	8,165 ³	7,915 ³	7,705	7,295	6,965	6,965
Age Relief 65-74	10,600 ¹	10,500 ¹	10,500 ¹	10,500	9,490	9,490	9,490
Age Relief 75+	10,660 ²	10,660 ²	10,660 ²	10,660	10,090	9,640	9,640
Age Allice. Income Limit	27,700	27,000	26,100	25,400	24,000	22,900	22,900

Widows Bereavement					2,800	2,670	2,670
Blind Person	2,290	2,230	2,160	2,100	1,980	1,890	1,890
Child Tax Credit (Family)	2,780	2,750	2,720	2,690	2,555	2,300	2,235

* Tapered to £Nil if Income £100,000 - £120,000 ** Restricted to 10% Tax. From 6/4/2000 - born pre 6/4/1935

¹ If Born 6.4.1938-05.4.1948 ² If Born pre 6.4.1938 ³ Reduced £1/£2 if income over £27,000. ⁴ Basic Rate Only.

NATIONAL INSURANCE CONTRIBUTIONS

Contracted In Employee	2015/16	2014/15	2013/14	2012/13	2011/12	2010/11	2009/10
Class 1 LEL - UEL	Employed Earnings						
£112-£815	£111-£805	£109-£797	£107-£817	£102-£817	£97-£844	£95-£844	
Class 1 First @ 0%	£155 p.w.	£153 p.w.	£149 p.w.	£146 p.w.	£139 p.w.	£110 p.w.	£110 p.w.
Next *	£155-£815	£153-£805	£149-£797	£146-£817	£139-£817	£110-£844	£110-£844
@	12%	12%	12%	12%	12%	11%	11%
Above UEL @	2%	2%	2%	2%	2%	1%	1%

* Where Earnings Exceed Lower Earnings Limit

Employer							
Secondary Class 1 @	£156 wk	£153 wk	£148 wk	£144 wk	£136 wk	£110 wk	£110 wk
	13.8%	13.8%	13.8%	13.8%	13.8%	12.8%	12.8%
Class IA (BIKs)	13.8%	13.8%	13.8%	13.8%	13.8%	12.8%	12.8%
Employer Allowance	£2,000	£2,000					

Contracted Out							
Rebates: MPS	NIL	NIL	NIL	1.4%	1.4%	1.4%	1.4%
£112- £155 Final Salary - Er's	3.4%	3.4%	3.4%	3.4%	3.7%	3.7%	3.7%
Salary Related - Ee's	1.4%	1.4%	1.4%	1.4%	1.6%	1.6%	1.6%

Class 2 - Self-Employed	£2.80 p.w	£2.75 p.w.	£2.70 p.w.	£2.65 p.w.	£2.50 p.w.	£2.40 p.w.	£2.40 p.w.
If Taxable Profits Above	£5,965 p.a.	£5,885 p.a.	£5,725 p.a.	£5,595 p.a.	£5,315 p.a.	£5,075 p.a.	£5,075 p.a.

Class 3 - Voluntary	£14.10 p.w.	£13.90 p.w	£13.55 p.w	£13.25 p.w	£12.60 p.w	£12.05 p.w	£12.05 p.w
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Class 4 - Self Employed	9%	9%	9%	9%	9%	8%	8%
On Profits Above	£8,060-	£7,956-	£7,755-	£7,605-	£7,225-	£5,715-	£5,715-
Up To	£42,385	£41,865	£41,450	£42,475	£42,475	£43,875	£43,875
Excess @	2%	2%	2%	2%	2%	1%	1%

COMPANY CAR SCALE BENEFITS

	2015/16	2014/15	2013/14	2012/13	2011/12	2010/11	2009/10
Cars - Vehicle Benefit	% of P11D List Price						
Petrol	Min. 15%	Min. 15%	Min. 15%	Min. 15%	Min. 15%	Min. 15%	Min. 15%
Diesel	Min. 18%	Min. 18%	Min. 18%	Min. 18%	Min. 18%	Min. 18%	Min. 18%
CO2 Base	100	110	115	120	125	130	135
+ 1% per 5 gm/km	Max 37%	Max. 35%	Max. 35%	Max. 35%	Max. 35%	Max. 35%	Max. 35%

* £80,000 Limit & QUALEC Discounts Withdrawn April 2011. Diesel Euro IV 3% Discount withdrawn 1.1.2006

Private Fuel Benefit - All Cars - Petrol and Diesel		From April 2003 Based on Vehicle CO2 Emissions Benefit %						
	CO ₂ %	CO ₂ %	CO ₂ %	CO ₂ %	CO ₂ %	CO ₂ %	CO ₂ %	
Fuel Scale	£22,100	£21,700	£21,100	£20,200	£18,800	£18,000	£16,900	
Van (Excl. Fuel)**	£3,150	£3,090	£3,000	£3,000	£3,000	£3,000	£3,000	
Fuel Scale**	£594	£581	£550	£550	£550	£500	£500	

** £NIL if no private use

Approved Mileage Rates (AMRs)

	ppm	ppm	ppm	ppm	ppm	ppm	ppm
All Cars	45	45	45	45	40	40	40
1st 10,000 miles	25	25	25	25	25	25	25
Over 10,000 miles	25	25	25	25	25	25	25

April 2002 First 10,000 business miles @ 40ppm (Previously 4,000 miles) Excess @ 25ppm

CAPITAL TAXES AND RELIEFS

	2015/16	2014/15	2013/14	2012/13	2011/12	2010/11	2009/10
Personal Allowance	£325,000*	£325,000*	£325,000*	£325,000*	£325,000*	£325,000*	£325,000*
Inheritance Tax 0% Rate	40%	40%	40%	40%	40%	40%	40%
Thereafter	40%	40%	40%	40%	40%	40%	40%
Per Spouse/Civil Partner							
Capital Gains - Basic Rate	18%	18%	18%	18%	18%	18% +	18%
- Higher Rate	28%	28%	28%	28%	28%	28% +	28%
Personal Allowance	£11,100	£11,000	£10,900	£10,600	£10,600	£10,100	£10,100
Entrepreneur Relief	4/9	4/9	4/9	4/9	4/9	4/9	4/9
LifeTime Allowance	£10m	£10m	£10m	£10m	£10m	£5m	£1m

+ From 23.6.2010 ** Taper & Indexation Relief Withdrawn April 2008

Gift Aid (Max Benefit) @ 5%	£2,500	£2,500	£2,500	£2,500	£2,500	£500	£500
Pensions Limit £ p.a.	£40,000	£40,000	£50,000	£50,000	£255,000	£245,000	£235,000
Lifetime Allowance	£1.25m	£1.25m	£1.5m	£1.8m	£1.8m	£1.75m	£1.65m

Corporation Tax (1st April)							
First £10,000	20%	20%	20%	20%	20%	21%	21%
Next £40,000 (SPR)	20%	20%	20%	20%	20%	21%	21%
" £250,000	20%	20%	20%	20%	20%	21%	21%
" £1,200,000 (EMR)	21.25%	21.25%	23.75%	25%	27.5%	29.75%	29.75%
Over £1,500,000	21%	21%	23%	24%	26%	28%	28%
Marginal Rate Fraction	1/400	1/400	3/400	1/100	3/200	7/400	7/400
Annual Investment Allowance	£500,000*	£500,000	£250,000*	£25,000	£100,000	£100,000	£50,000
Plant & Machinery WDA	18%**	18%**	18%	18%	20%	20%	20%

* 2 Years From 12.1.2013 @ 100% To 31.12.2015 Then £25,000 ** 'Other' Assets. Long Life Assets @ 8%

VALUE ADDED TAX

	2015/16	2014/15	2013/14	2012/13	2011/12	2010/11	2009/10
Standard Rate	20%	20%	20%	20%	20%***	17.5%	15%**
VAT Fraction	1/6	1/6	1/6	1/6	1/6	7/47	3/23
Registration Limit	£82,000	£81,000	£79,000	£77,000	£73,000	£70,000	£68,000
De-registration Limit	£80,000	£79,000	£77,000	£75,000	£71,000	£68,000	£66,000
Cash Accounting	£1.35m*	£1.35m*	£1.35m*	£1.35m*	£1.35m*	£1.35m*	£1.35m*

* £1.6m De-registration limit If already using Cash Accounting. ** 12 Months To 31.12.2009 *** From 4.1.2011