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	2016/17	2017/18
	£	£
<b>Income tax rates - (non-dividend income)</b>		
0% - starting rate for savings only note 1	Up to 5,000	Up to 5,000
20% basic rate tax	11,001 - 43,000	11,501 – 45,000
40% higher rate tax	43,001 - 150,000	45,001 to 150,000
45% additional rate tax	Above 150,000	Above 150,000
<i>1 If an individual's taxable non-savings income exceeds the starting rate limit, then the starting rate for savings will not be available for savings income</i>		
<i>Note – There are different rates if you are a Scottish taxpayer</i>		
<b>Income tax rates – (dividend income new rules from 6/4/2016)</b>		
Up to £ 5000 note 1 and 2	0%	0%
£ 5000 - £ 32,000	7.5%	7.5%
£32,001 – £150,000	32.5%	32.5%
Above £ 150,000	38.1%	38.1%
<i>1 From April 2016 the dividend tax credit is abolished and replaced with a new £5,000 tax-free Dividend Allowance</i>		
<i>2 From April 2018 the allowance will be reduced to £ 2,000</i>		
<b>Personal allowances</b>		
Personal allowance – note 2	11,000	11,500
Dividend allowance – note 5	5,000	5,000
Maximum Married couple's allowance for those born before 6 April 1935 – note 3	8,355	8,445
Married couple's allowance – minimum amount – note 3	3,220	3,260
Income limit – note 1	100,000	100,000
Income limit for Married couple's allowance- born before 6 April 1935 note 3	27,700	28,000
Blind person's allowance	2,290	2,320
Rent-a-room relief – note 6	7,500	7,500
Transferable tax allowance for married couples and civil partners	1,100	1,150
Personal savings allowance for basic rate tax payers – note 4	1,000	1,000
Personal savings allowance for higher rate tax payers – note 4	500	500
<i>1 This allowance is subject to the £100,000 income limit which applies regardless of the individual's date of birth. The individual's personal allowance is reduced where their income is above this limit. The allowance is reduced by £1 for every £2 above the limit</i>		
<i>2 From 2016-17 onwards, all individuals will be entitled to the same personal allowance, regardless of the individuals' date of birth. This allowance is subject to the £100,000 income limit which applies regardless of the individual's date of birth</i>		

3 This allowance is subject to the £27,700 income limit. The individual's married couple's allowance is reduced by £1 for every £2 above the limit. That reduction only applies after any reduction to their personal allowance. The individual's married couple's allowance is never reduced below the minimum amount.

The relief for this allowance is given at 10%.

These amounts are subject to indexation – the annual increase in CPI – and have been frozen for 2016-17 at 2015-16 levels in order to prevent any cash loss to individuals as a result of negative growth in CP

4 Basic rate tax will no longer be deducted from personal savings interest.

5 From April 2018 the allowance will be reduced to £ 2,000

6 The government will consult on proposals to redesign rent-a-room relief, to ensure it is better targeted to support longer-term lettings.

<b>National insurance</b>		
Lower earnings limit, primary Class 1 (per week)	112	113
Upper earnings limit, primary Class 1 (per week)	827	866
Apprentice upper secondary threshold (AUST) for under 21s/25s	827	866
Primary threshold (per week)	155	157
Secondary threshold (per week)	156	157
Employment allowance (per year per employer)	3,000	3,000
Employee's primary Class 1 rate between primary threshold and upper earnings limit	12%	12%
Employee's primary Class 1 rate above upper earnings limit	2%	2%
Married woman's reduced rate between primary threshold and upper earnings limit	5.85%	5.85%
Married woman's rate above upper earnings limit	2.00%	2.00%
Employer's secondary Class 1 rate above secondary threshold	13.80%	13.80%
Class 2 rate (per week where profits are above small profits threshold)	2.80	2.85
Class 2 small profits threshold (per year) – note 2	5,965	6,025
Special Class 2 rate for share fishermen (per week)	3.45	3.50
Special Class 2 rate for volunteer development workers	5.60	5.65
Class 3 rate (per week)	14.10	14.25
Class 4 lower profits limit	8,060	8,164
Class 4 upper profits limit	43,000	45,000
Class 4 rate between lower profits limit and upper profits limit	9.00%	9.00%
Class 4 rate above upper profits limit	2.00%	2.00%
<b>Pensions</b>		
Annual allowance note 1	40,000	40,000
Lifetime allowance	1,000,000	1,000,000
Money purchase annual allowance – note 2	10,000	4,000
1 The Finance Bill 2015 provided that from tax year 2016/17 the annual allowance for those earning above £150,000 is to be reduced on a tapering basis so that it reduces to £10,000 for those earning above £210,000. For every £2 of income above £150,000, an individual's annual allowance will reduce by £1.		
2 This means that once a person has accessed pension savings flexibly, if they wish to make any further contributions to a defined contribution pension, tax-relieved contributions are restricted to a special money purchase annual allowance (MPAA).		
<b>Relief's and incentives</b>		
Enterprise Investment Scheme (EIS) - maximum	1,000,000	1,000,000
Venture Capital Trust (VCT) - maximum	200,000	200,000

Enterprise Management Incentive Scheme (EMI) - employee limit	250,000	250,000	
Seed Enterprise Investment Scheme (SEIS) - maximum	100,000	100,000	
Income tax relief on EIS schemes	30%	30%	
Income tax relief on VCT schemes	30%	30%	
Income tax relief on SEIS schemes	50%	50%	
<b>Capital gains tax</b>			
Rate	- basic rate tax payer	10%	10%
	- higher rate tax payer	20%	20%
Gain on sale of residential property	- basic rate tax payer	18%	18%
	- higher rate tax payer	28%	28%
Annual exemptions – individuals (per year)	11,100	11,300	
Entrepreneurs Relief lifetime limit	10,000,000	10,000,000	
Entrepreneurs Rate	10%	10%	
Chattels exemption	6,000	6,000	
<b>Corporation tax</b>			
All profits and gains (excluding determination agreements and diverted profits)	20%	19%	
S455 tax on all loans made by close companies to participator	32.5%	32.5%	
<b>Capital Allowances</b>			
Main writing down allowance (reducing balance)	18%	18%	
Special rate writing down allowance (reducing balance)	8%	8%	
Motor Cars- if CO2 > 75g/km but do not exceed 130g/km	18%	18%	
Motor Cars- if CO2 > 130g/km	8%	8%	
Small pool write off where WDV is £1,000 or less	100%	100%	
CO2 emissions are 75g/km or less (or car is electric)	100%	100%	
First year allowances for certain energy-saving/water efficient products	100%	100%	
Annual investment allowance	100%	100%	
<i>1 AIA level set permanently from 1 January 2016 at £200,000 pa</i>			
<i>2 CO2 emissions thresholds will be reduced to 50g/km for the FYA threshold and 110g/km for expenditure on business cars after 1 April 2018.</i>			
<b>VAT</b>			
Standard rate	20%	20%	
Reduced rate	5%	5%	
Zero rate	0%	0%	
Normal scheme registration threshold	83,000	85,000	
Deregistration threshold	81,000	83,000	
Cash accounting scheme -maximum to join	1,350,000	1,350,000	
Cash accounting scheme - exit threshold	1,600,000	1,600,000	
Annual accounting scheme – maximum to join	1,350,000	1,350,000	
Annual accounting scheme – exit threshold	1,600,000	1,600,000	
Flat rate scheme – maximum allowed to join	150,000	150,000	

Flat rate scheme exit threshold	230,000	230,000
<b>Annual Tax on Enveloped Dwellings (ATED)</b>		
More than £0.5m but not more than £1m	3,500	3,500
More than £1m but not more than £2m	7,000	7,050
More than £2m but not more than £5m	23,350	23,550
More than £5m but not more than £10m	54,450	54,950
More than £10m but not more than £20m	109,050	110,100
More than £20m	218,200	220,350

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