

Inheritance Tax

	2012-13	2011-12
Nil rate band for individuals*	£325,000	£325,000
Thereafter - lifetime gifts**	20%	20%
- lower rate on death***	36%	N/A
- on death	40%	40%

* 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.

*** From 6 April 2012, 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 upto 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%

National Insurance

Class 1 (employed)			
Earnings limits (weekly)	Employee (primary)	Earnings limits (weekly)	Employer (secondary)
Upto £107 (LEL)	0%	Below £144 (ST)	0%
£107 to £146 (PT)	0%	Above £144	13.8%
£146 to £817 (UEL)	12%		
Over £817	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)	£2.65 per week (unless earnings below £5,595 pa)		
Class 3 (voluntary)	£13.25 per week		
Class 4 (self-employed)	9% of profits between £7,605 and £42,475 pa plus 2% on profits above £42,475		

Capital Gains Tax

Annual exempt amount	2012-13	2011-12
Individuals	£10,600	£10,600
Trusts	£5,300	£5,300
Rates		
Standard rate taxpayers	18%	18%
Higher rate taxpayers / Trustees	28%	28%
Entrepreneurs' relief lifetime limit	£10,000,000	£10,000,000
Entrepreneurs' rate	10%	10%

Capital Allowances

	2012-13	2011-12
Plant and machinery		
- Main writing down allowance	18%	20%
- Long life assets, integral fixtures	8%	10%
- First year allowances (certain environmentally efficient products)	100%	100%
- R&D tax credits SME scheme	225%	200%
- R&D tax credits Large companies scheme	130%	130%
- Annual investment allowance	£25,000	£100,000
Cars		
- CO ₂ emissions up to 110g/km	100%	100%
- CO ₂ emissions 111g/km - 160g/km	20%	20%
- CO ₂ emissions over 160g/km	10%	10%
Patent rights and know how	20%	20%

Tax Credits

Working tax credit	2012-13	2011-12
Basic element – maximum	£1,920	£1,920
Childcare element		
70% of eligible costs up to £175 per week for one child, £300 for two or more children.		
Child tax credit	2012-13	2011-12
Child element per child – maximum	£2,690	£2,555
Family element	£545	£545
If only the child tax credit is claimed, the threshold is £15,860 pa.		

Pensions

Pension contributions	2012-13	2011-12
Lifetime allowance	£1,500,000	£1,800,000
Maximum annual contribution	£50,000	£50,000
Tax on excess	Marginal rate	Marginal rate
Normal minimum pension age	55	55
Basic state pension – per week	2012-13	2011-12
Single person	£107.45	£102.15

Income Tax

Income tax bands	2012-13	2011-12
Basic rate – 20%*	£0 - £34,370	£0 - £35,000
Higher rate – 40%	£34,371 - £150,000	£35,001 - £150,000
Additional rate – 50% (45% from April 2013)	Over £150,000	Over £150,000

* Dividend and savings income is taxed at 10% up to £2,710 (2011-12 £2,560). This 10% rate does not apply if taxable non-savings income exceeds £2,710. Dividends are deemed to be the top slice of total income in computing tax liability at 10%, 32.5% or 42.5% respectively.

Income tax reliefs	2012-13	2011-12
Personal allowance (under 65)*	£8,105	£7,475
Personal allowance (65-74)*	£10,500	£9,940
Personal allowance (75+)*	£10,660	£10,090
Blind person's allowance	£2,100	£1,980
Age allowance income limit**	£25,400	£24,000

* The personal allowance is gradually withdrawn by £1 for every £2 of income over £10,000.

** Age allowance reduced by £1 for every £2 of income over £25,400 (2011-12 £24,000), until reduced to level of basic personal allowance.

Married couples allowance – tax relief given at 10%		
Born before 6 April 1935	£7,705	£7,295
Minimum amount	£2,960	£2,800

Stamp Duty and Stamp Duty Land Tax (SDLT)

Rate	Residential property	Residential property (disadvantaged area)	Non-residential
Zero	£0 - £125,000	£0 - £150,000	£0 - £150,000
1%	£125,001 - £250,000	£150,001 - £250,000	£150,001 - £250,000
3%	£250,001 - £500,000	£250,001 - £500,000	£250,001 - £500,000
4%	£500,001 - £1,000,000	£500,001 - £1,000,000	Over £500,000
5%	£1,000,001 - £2,000,000	£1,000,001 - £2,000,000	
7% *	Over £2,000,000	Over £2,000,000	
15% **	On £2,000,000 plus houses held in a 'corporate envelope'		
* Rate applies from 22 March 2012.			
** Rate applies from 21 March 2012.			
Shares and securities rate 0.5%			

VAT

Standard rate	20%
Reduced rate	5%
Zero rate	0%
Annual registration limit (from 1 April 2012)	£77,000
Annual deregistration limit (from 1 April 2012)	£75,000
VAT Cash accounting scheme threshold	£1,350,000
VAT Annual accounting scheme threshold	£1,350,000

Car, Van & Fuel Benefits

Company cars					
CO ₂ emissions (g/km) round down to nearest 5g/km	% of car's list price taxed	CO ₂ emissions (g/km) round down to nearest 5g/km	% of car's list price taxed	CO ₂ emissions (g/km) round down to nearest 5g/km	% of car's list price taxed
0	0	135	18	185	28
1 to 75	5	140	19	190	29
76 to 99	10	145	20	195	30
100	11	150	21	200	31
105	12	155	22	205	32
110	13	160	23	210	33
115	14	165	24	215	34
120	15	170	25	220 and above	35
125	16	175	26		
130	17	180	27		

There is a diesel supplement of 3% for all bands, subject to a maximum rate of 35%. For cars registered before 1 January 1998 the charge is based on engine size. The list price includes accessories and is not subject to an upper limit. The list price is reduced for capital contributions made by the employee of up to £5,000.

Car fuel benefit 2012-13

£20,200 × 'appropriate percentage' (percentage used to calculate the taxable benefit of the car for which the fuel is provided).

The charge does not apply to certain environmentally friendly cars.

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

Van benefit per vehicle 2012-13

Van benefit	£3,000
Fuel benefit	£550

The charges do not apply to vans which cannot emit CO₂ when driven or if a 'restricted private use condition' is met throughout the year.

Mileage Allowance Payment

	Rate per mile
Cars & vans	
- up to 10,000 miles	45p
- over 10,000 miles	25p
Motorcycles	24p
Bicycles	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.

Corporation Tax

FY 2012		FY 2011	
Profits band	Rate	Profits band	Rate
Small companies rate	£0 - £300,000 20%	£0 - £300,000 20%	
Marginal rate fraction	£300,001 - £1,500,000 1/100th	£300,001 - £1,500,000 3/200th	
Standard rate	Over £1,500,000 24%	Over £1,500,000 26%	
The standard rate will decrease by a further 1% each year until 2014-15 when the standard rate will be 22%.			

Tax Favoured Investments

Individual savings account (ISA)	2012-13	2011-12
ISA investment limit	£11,280	£10,680
Cash ISA maximum	£5,640	£5,340

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 between £500 and £1,000,000.

Seed enterprise investment scheme

The scheme commences on 6 April 2012 and is intended to increase the level of investing in new businesses. Income tax relief of up to 50% on maximum £100,000 investment plus capital gains relief in 2012-13.

Key Dates and Deadlines

Payment dates	2012-13	2011-12
Income tax and Class 4 NICs:		
- First interim income tax payment	31 January 2013	31 January 2012
- Second interim income tax payment	31 July 2013	31 July 2012
- Final balancing income tax payment	31 January 2014	31 January 2013
Capital gains tax payment	31 January 2014	31 January 2013
Class 1A NICs (22nd if paid electronically)	19 July 2013	19 July 2012
Corporation tax is due 9 months and one day after the end of accounting period (or by quarterly instalments if large company).		

2011-12 Return filing deadlines

File end of year PAYE forms	19 May 2012
Issue P60s to employees	31 May 2012
Forms P9D, P11D and P11D(b) – and appropriate copies to employees	6 July 2012
Self Assessment Tax Return (SATR) – paper version	31 October 2012
SATR Online to have unpaid tax of up to £3,000 collected through the 2013-14 PAYE code	30 December 2012
SATR Online	31 January 2013

The information in this tax card is based upon the March 2012 Budget and other earlier announcements and may be subject to amendment by the Finance Act.



Accountancy • Audit • Bookkeeping • Financial Planning • Payroll • Taxation



Tax Card • 2012-13

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