

TAX RATES 2017/18



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in the *heart* of north wales

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Income Tax

	2017-18	2016-17
Basic rate band – income up to	†£33,500	£32,000
Starting rate for savings income	*0%	*0%
Basic rate	20%	20%
Dividend ordinary rate	**7.5%	**7.5%
Higher rate – income over	†£33,500	£32,000
Higher rate	40%	40%
Dividend upper rate	**32.5%	**32.5%
Additional rate – income over	£150,000	£150,000
Additional rate	45%	45%
Dividend additional rate	**38.1%	**38.1%
Starting rate limit (savings income)	*£5,000	*£5,000

†For Scottish taxpayers only the limit is £31,500.

**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. £1,000 of savings income for basic rate taxpayers (£500 higher rate) may be tax-free. **The first £5,000 of dividends are tax-free.*

Personal allowance (PA) £11,500 £11,000

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

Either partner born before 6 April 1935 *£8,445 *£8,355

Transferable Tax Allowance

for certain married couples (relief 20%) £1,150 £1,100

**Allowances are reduced by £1 for every £2 that adjusted net income exceeds £28,000 (£27,700) to a minimum MCA of £3,260 (£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 2017-18

ISA subscription limit £20,000; Junior ISA and CTF subscription limit £4,128.

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. 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.*

Inheritance Tax

	2017-18	2016-17
Nil rate band	£325,000	£325,000

For 2017-18, a further nil rate band of £100,000 may be available in relation to current or former residences. Nil rate bands of surviving spouses/civil partners may be increased by unused nil rate bands of deceased spouses/civil partners.

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		

Corporation Tax

Financial Year to	31 March 2018	31 March 2017
Corporation Tax rate	19%	20%

National Insurance Contributions

Class 1	Employee (primary)	Employer (secondary)
Payable on weekly earnings of:		
Below £113 (lower earnings limit)	Nil	–
£113 - £157 (primary threshold)	*0%	–
Up to £157 (secondary threshold)	–	Nil
Above £157	–	13.8%
£157.01 - £866 (upper earnings limit)	**12%	–
£157.01 - £866 (under 21s and apprentices under 25)	–	0%
Above £866	**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	£2.85 per week
Small profits threshold	£6,025 per annum
Class 3 Voluntary	£14.25 per week
Class 4 Self employed on annual profits	
£8,164 - £45,000	*9%
Excess over £45,000	*2%

*Exemption applies if state pension age was reached by 6 April 2017.

Stamp Duty Land Tax

On the transfer of property in England, Wales and N.Ireland, the Stamp Duty Land Tax is:

Residential	
Value up to £125,000	0%
Over £125,000 – £250,000	2%
Over £250,000 – £925,000	5%
Over £925,000 – £1,500,000	10%
Over £1,500,000	12%

Non-residential	
Value up to £150,000	0%
Over £150,000 – £250,000	2%
Over £250,000	5%

The rates apply to the portion of the total value which falls within each band. Additional SDLT of 3% may apply to the purchase of additional residential properties.

Land and Buildings Transaction Tax

On the transfer of property in Scotland, the Land and Buildings Transaction Tax is:

Residential	
Value up to £145,000	0%
Over £145,000 - £250,000	2%
Over £250,000 - £325,000	5%
Over £325,000 - £750,000	10%
Over £750,000	12%

Non-residential	
Value up to £150,000	0%
Over £150,000 - £350,000	3%
Over £350,000	4.5%

The rates apply to the portion of the total value which falls within each band. Additional LBTT of 3% may apply to the purchase of additional residential properties.

Capital Gains Tax

	2017-18
On chargeable gains	
Total taxable income and gains	
Up to higher rate threshold	10%
From higher rate threshold	20%
Trust rate	20%

Higher rates (18/28%) may apply to the disposal of certain residential property.

Entrepreneurs' relief and Investors' 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 £11,300 and most trustees £5,650.

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.

2017 Calendar

	January	February	March
Monday	30 2 9 16 23	6 13 20 27	6 13 20 27
Tuesday	31 3 10 17 24	7 14 21 28	7 14 21 28
Wednesday	4 11 18 25	1 8 15 22	1 8 15 22 29
Thursday	5 12 19 26	2 9 16 23	2 9 16 23 30
Friday	6 13 20 27	3 10 17 24	3 10 17 24 31
Saturday	7 14 21 28	4 11 18 25	4 11 18 25
Sunday	1 8 15 22 29	5 12 19 26	5 12 19 26
	April	May	June
Monday	3 10 17 24	1 8 15 22 29	5 12 19 26
Tuesday	4 11 18 25	2 9 16 23 30	6 13 20 27
Wednesday	5 12 19 26	3 10 17 24 31	7 14 21 28
Thursday	6 13 20 27	4 11 18 25	1 8 15 22 29
Friday	7 14 21 28	5 12 19 26	2 9 16 23 30
Saturday	1 8 15 22 29	6 13 20 27	3 10 17 24
Sunday	2 9 16 23 30	7 14 21 28	4 11 18 25
	July	August	September
Monday	31 3 10 17 24	7 14 21 28	4 11 18 25
Tuesday	4 11 18 25	1 8 15 22 29	5 12 19 26
Wednesday	5 12 19 26	2 9 16 23 30	6 13 20 27
Thursday	6 13 20 27	3 10 17 24 31	7 14 21 28
Friday	7 14 21 28	4 11 18 25	1 8 15 22 29
Saturday	1 8 15 22 29	5 12 19 26	2 9 16 23 30
Sunday	2 9 16 23 30	6 13 20 27	3 10 17 24
	October	November	December
Monday	30 2 9 16 23	6 13 20 27	4 11 18 25
Tuesday	31 3 10 17 24	7 14 21 28	5 12 19 26
Wednesday	4 11 18 25	1 8 15 22 29	6 13 20 27
Thursday	5 12 19 26	2 9 16 23 30	7 14 21 28
Friday	6 13 20 27	3 10 17 24	1 8 15 22 29
Saturday	7 14 21 28	4 11 18 25	2 9 16 23 30
Sunday	1 8 15 22 29	5 12 19 26	3 10 17 24 31

2018 Calendar

	January	February	March
Monday	1 8 15 22 29	5 12 19 26	5 12 19 26
Tuesday	2 9 16 23 30	6 13 20 27	6 13 20 27
Wednesday	3 10 17 24 31	7 14 21 28	7 14 21 28
Thursday	4 11 18 25	1 8 15 22	1 8 15 22 29
Friday	5 12 19 26	2 9 16 23	2 9 16 23 30
Saturday	6 13 20 27	3 10 17 24	3 10 17 24 31
Sunday	7 14 21 28	4 11 18 25	4 11 18 25

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