

Earliest due dates for payment of tax

Income Tax

Employment Most tax paid under PAYE
Interest, dividends Lower/basic rate liability usually settled before receipt
Untaxed sources, plus balance on employment and higher rates on investment income (self assessment) Payments on account for 2012/13 on 31.1.13 and 31.7.13 based on 2011/12 tax; balance due 31.1.14 with first instalment for 2013/14.

Capital Gains Tax

31 January following the tax year with self-assessment income tax.

Inheritance Tax

Normally 6 months after month of death.

Corporation Tax

Large companies pay by instalments starting 6½ months through the accounting period; small/medium companies pay 9 months and 1 day after end of period.

Useful Rates

Basic Retirement Pension

Single person £107.45
Married couple 171.85

Child Benefit

First eligible child 20.30
Each subsequent child 13.40

Example rates:

Child Tax Credits
Family element 545
Threshold for withdrawal 15,860

National Minimum Wage

From 1 October 2012 – 21 and over 6.19
From 1 October 2011 – 21 and over 6.08
Rate for workers aged 18-20 (unchanged) 4.98

You are advised to consult us before acting on any information contained herein.

2012/2013 Calendar

April 2012

M	T	W	T	F	S	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

June 2012

M	T	W	T	F	S	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

August 2012

M	T	W	T	F	S	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

October 2012

M	T	W	T	F	S	S
1	2	3	4	5	6	7
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15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

December 2012

M	T	W	T	F	S	S
						1
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16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

February 2013

M	T	W	T	F	S	S
					1	2
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24	25	26	27	28	29	30
31						

May 2012

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28	29	30	31			

July 2012

M	T	W	T	F	S	S
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23	24	25	26	27	28	29
30	31					

September 2012

M	T	W	T	F	S	S
						1
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23	24	25	26	27	28	29
30	31					

November 2012

M	T	W	T	F	S	S
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23	24	25	26	27	28	29
30	31					

January 2013

M	T	W	T	F	S	S
						1
2	3	4	5	6	7	8
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23	24	25	26	27	28	29
30	31					

March 2013

M	T	W	T	F	S	S
					1	2
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24	25	26	27	28	29	30
31						

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Income Tax

Main reliefs	2012/13	2011/12
Allowed at top rate of tax		
Personal Allowance (PA)	£8,105	£7,475
Personal Allowance (65 - 74)*	10,500	9,940
Personal Allowance (75 and over)*	10,660	10,090
Blind Person's Allowance	2,100	1,980

Allowed only at 10%

Married Couple's Allowance (MCA)* (only available if born before 6th April 1935)	7,705	7,295
Age-related allowances (AA)* income limit	25,400	24,000

*AA reduced by £1 for every £2 by which income exceeds limit.

Personal AA reduced before MCA until equal to normal PA.

MCA reduced to minimum £2,960 (2011/12: £2,800).

PA is withdrawn at £1 for every £2 by which total income exceeds £100,000 (PA is nil at income of £116,210 or more).

Rate bands

	2012/13	2011/12
Basic rate band (BRB)	34,370	35,000
Higher rate band (HRB)	34,371 - 150,000	35,001 - 150,000
Additional rate	over 150,000	over 150,000
BRB and HRB extended by Gift Aid donations and pension contributions up to permitted limit.		

Tax rates

Rates differ for General/Savings/Dividends

	2012/13 and 2011/12		
	G	S	D
Basic rate	20%	20%	10%
Higher rate	40%	40%	32.5%
Additional rate	50%	50%	42.5%

General income (salary, pension, profit, rent) uses lower rate bands first, then savings (interest), then dividends. UK dividends received are 90% of taxable amount with 10% tax credit.

If taxable general income is less than £2,710 (2011/12: £2,560), savings income is taxed at a 'starting rate' of 10% until total taxable income exceeds that limit. This 'starting rate band' is part of the BRB.

Pension Contributions

Maximum annual tax-efficient gross contributions to age 75

individuals	£3,600 or 100% of earnings to £50,000
employers	£50,000 less employee contributions

Maximum tax-efficient fund on taking benefits in 2012/13: £1.5m.

Only current earnings count for the 100% limit. Extra contributions above £50K may use unused £50K limit of preceding three years.

Most personal pension contributions are paid net of basic rate tax.

Annual investment limits

	2012/13	2011/12
Individual Savings Account	£11,280	£10,680
Junior ISA	3,600	3,600
Enterprise Investment Scheme	†1,000,000	†500,000
Venture Capital Trust	†200,000	†200,000
Seed Enterprise Investment Scheme	*100,000	N/A
†Relief at 30% *Relief at 50%		

National Insurance Contributions 2012/13

Class 1 (employees)

From 6.4.2012, only employment with a salary-related pension scheme can use the lower contracted-out NIC rates.

	Contracted In	Contracted Out
Employee contributions		
– on earnings £146.01 - £770pw	12.0%	10.6%
– on earnings £770.01 - £817pw	12.0%	12.0%
– on earnings above £817pw	2.0%	2.0%

Employer contributions

– on earnings £144.01 - £770pw	13.8%	10.4%
– on earnings above £770pw	13.8%	13.8%
Employer contributions (at 13.8%) are also due on most taxable benefits (Class 1A) and on tax paid on an employee's behalf under a PAYE settlement agreement (Class 1B).		

Class 2 (Self-employed)

Flat rate per week	£2.65
Small earnings exception: profits per annum	£5,595

Class 3 (Voluntary)

Flat rate per week	£13.25
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Class 4 (Self-employed)

On profits £7,605 - £42,475	9.0%
On profits over £42,475	2.0%

Car Benefit 2012/13

Taxable benefit is chargeable value multiplied by chargeable percentage.

Chargeable value: initial list price of car (incl. accessories).

Chargeable percentage:

Electric car with no emissions: 0%

CO ₂ Ratings	Petrol	Diesel
1-75g/km	5%	8%
76-99g/km	10%	13%
100-104g/km	11%	14%

– increasing by 1% at 105, 110, 115 etc., until the max. 35% (petrol or diesel).

Vans

Chargeable value of £3,000 if private use is more than home-to-work.

Car fuel

Employer provides fuel for private motoring in an employer-owned:

car: CO₂-based percentage from above table multiplied by £20,200.

van: £550.

Employee contributions for fuel do not reduce taxable figure unless all private fuel is paid for.

Tax-free mileage allowances

Employee's own transport

	2012/13	
	Higher Rate	Lower Rate
Car	45p	25p
Motorcycle	24p	24p
Bicycle	20p	20p
Business passengers	5p	5p
Higher rate allowed up to 10,000 business miles.		

Company cars

Advisory rate to cover fuel cost (rates change several times a year)

From 1.3.2012 (From 1.12.2011 to 29.2.2012)

	Petrol	LPG	Diesel
Up to 1400cc	15p (15p)	10p (10p)	13p (12p)
1401 - 2000cc	18p (18p)	12p (12p)	16p (15p)
Over 2000cc	26p (26p)	18p (18p)	19p (18p)

Inheritance Tax

Charges on or after 6th April 2009

	Rates %	
0 - £325,000	NIL	Nil band frozen
Above £325,000	40%	until 2014/15
Lifetime chargeable transfers at half the death rate, i.e. 20%.		

Business property relief of 100% for all shareholdings in qualifying unquoted trading companies and for most unincorporated trading businesses; agricultural property relief at 100% for qualifying holdings of agricultural land.

Annual exemption for lifetime gifts £3,000.

Small gifts up to £250 per donee per year are ignored.

Tapering relief applies to reduce the tax on transfers within 7 years of death.

The reduction in tax is 20% for survivorship of 3-4 years, 40% for 4-5, 60% for 5-6 and 80% for 6-7 years.

Value Added Tax

Standard rate (1/6 of VAT-inclusive price)	20%
Registration level from 1.4.12	£77,000 per annum
Deregistration level from 1.4.12	£75,000 per annum

Scale charges

The scale charges for private use of business fuel are based on the CO₂ emissions rating of the car. A different charge will apply for each 5g/km increase between 120g/km and 225g/km (max). For a 3 month period starting after 30 April 2012:

120 or less	£138.54 net	£27.71 VAT
125	208.33 net	41.67 VAT
rising by per 5g/km approx*	13.91 net	2.78 VAT
225 or above	486.46 net	97.29 VAT

*exact figures must be obtained from full table.

Corporation Tax

	Years to 31.3.2013	31.3.2012
Main rate	24%	26%
Profits above	£1.5m	£1.5m
Small companies rate	20%	20%
Profits up to	£300K	£300K
Small/large marginal band	£300K – £1.5m	£300K – £1.5m
Fraction (effective rate)	1/100 (25%)	3/200 (27.5%)

Main capital allowances

Plant and machinery

	Allowance %
– annual investment allowance: £25,000	100
– certain energy efficient plant, including low emission cars	100
– writing down allowance: general pool	18
– writing down allowance: special rate pool	8

The special rate pool includes long life assets, integral plant in buildings, thermal insulation and cars with CO₂ emissions over 160g/km. The general pool contains other plant and machinery.

The rates changed in April 2012 and care is required where a period of account straddles the change.

Capital Gains Tax

	2012/13	2011/12
Annual exempt amount	£10,600	£10,600
Tax rate		
– basic rate taxpayer	18%	18%
– higher rate taxpayer	28%	28%
– Entrepreneurs' Relief (ER)	10%	10%

Net gains after losses, all reliefs and annual exemption are added to taxable income to determine the applicable CGT rate. ER is available for lifetime gains of up to £10m on disposals of sole trade, interest in partnership trade, or shares in a trading company by an officer or employee owning at least 5%.

Trustees receive up to half the annual exemption and pay at a flat rate of 28%.

Stamp Duty and Stamp Duty Land Tax

Rates on sales	% of Total Consideration	
Shares and marketable securities (nil if value up to £1,000)		0.5%
Land		
£0 - threshold		NIL
Threshold - £250,000		1%
£250,001 - £500,000		3%
£500,001 and over (all properties)		4%
£1,000,001 - £2,000,000 (residential)		5%
Over £2m (residential)		7%

The threshold is:

£125,000	general residential property
£150,000	residential in "disadvantaged areas"
£150,000	commercial property