

2010-2011 Tax Rates & Allowances

Corporation Tax to 31/3/11

Small companies rate (£0-£300,000)	21%
£300,001 - £1,500,000	Marginal relief
Full rate (£1,500,000+)	28%

Value Added Tax

Standard Rate	17.5%*
Registration level..... from 01/04/10	£70,000
De-registration limit..... from 01/04/10	£68,000

* The standard rate will increase to 20% on 4 January 2011

Income Tax Rates..... 2010-2011

10% starting rates for savings*	£2,440
20% on first/next	£37,400
40% on income over	£37,401-£150,000
50% additional rate over	£150,000
Dividends for basic rate payers	10%
Dividends for higher rate payers	32.5%
Dividends for additional rate payers	42.5%
Trusts within relevant property regime**	50%

Dividends for trusts within relevant property regime 42.5%

* Restricted to savings income and not available if non-savings income exceeds starting rate limit.

** From April 2006, a standard rate band of £1,000 applies, below this level income will be taxed at no more than 20%.

Main Income Tax Reliefs 2010-2011

Personal allowance (basic)	£6,475
Income limit for Personal Allowance	£100,000
Personal allowance (age 65-74)	£9,490
Personal allowance (age 75 and over)	£9,640
Married couple's allowance (where born before 6/4/35)*	n/a
Married couple's allowance (age 75 and over)*	£6,965
Income limit for age-related allowances	£22,900
Blind person's allowance	£1,890
Enterprise Investment Scheme at 20%**	£500,000
Venture Capital Trust at 30%	£200,000
Rent-a-room tax-free income	£4,250

* Allowances where relief is restricted to 10%

** Capital gains tax deferral relief also available.

Capital Gains Tax 2010-2011

Individuals/Trusts	18%/28%*
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* A new higher rate of CGT effective from 23 June 2010

Annual Exemptions

Individuals and personal representatives	£10,100
Trusts generally	£5,050
Chattels exemption (5/3 taxable on excess)	£6,000

Entrepreneurs Relief - Qualifying disposals of business assets are taxed at an effective rate of 10% on the first £5 million of lifetime capital gains from 23 June 2010.

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For an initial FREE

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