

REGISTERED PENSIONS		
	09-10	08-09
Lifetime allowance*	£1,750,000	£1,650,000
Annual allowance	£245,000	£235,000
Lifetime allowance charge	55% if excess drawn as cash 25% if excess drawn as income	
Annual allowance charge	40% of excess	
Maximum pension commencement lump sum*	25% of pension benefit value	
Maximum relievable personal contribution	100% relevant UK earnings <i>or</i> £3,600 if greater	
<i>*Subject to transitional protection for excess amount</i>		

EMPLOYEE SHARE SCHEME LIMITS		
	09-10	08-09
Share incentive plans		
Employer contribution	<i>TBA</i>	£3,000
Employer matching (2:1) contribution	<i>TBA</i>	£3,000
Employee contribution	<i>TBA</i>	£1,500
Enterprise management incentive option value	<i>TBA</i>	£120,000
Savings-related share options per month	<i>TBA</i>	£250
Approved share option schemes	<i>TBA</i>	£30,000

BASIC STATE PENSION				
	09-10		08-09	
	Weekly	Annual	Weekly	Annual
Single person	£95.25	£4,953.00	£90.70	£4,716.40
Dependant's addition	£57.05	£2,966.60	£54.35	£2,826.20
Total married pension	£152.30	£7,919.60	£145.05	£7,542.60
Pension Credit - Standard Income Guarantee 09-10				
	Single: £130.00 pw		Married £198.45 pw	

INDIVIDUAL SAVINGS ACCOUNTS (ISAs)		
Maximum Investment Component	09-10	08-09
Cash	<i>TBA</i>	£3,600
Stocks and shares	<i>TBA</i>	Balance up to £7,200

CAR BENEFIT FOR EMPLOYEES

Taxable amount based on car's list price when new up to £80,000
 Charge varies according to CO₂ emissions in grams per kilometre
 Further reductions may apply for LPG, bi-fuel, E85, hybrid and electric cars

CO ₂ g/km	% of price 08-10	CO ₂ g/km	% of price 08-10	CO ₂ g/km	% of price 08-10
120 or less	10	165-9	21	200-4	28
121-139	15	170-4	22	205-9	29
140-4	16	175-9	23	210-4	30
145-9	17	180-4	24	215-9	31
150-4	18	185-9	25	220-4	32
155-9	19	190-4	26	225-9	33
160-4	20	195-9	27	230-4	34
				235+	35

Diesels

Not meeting Euro IV or registered after 31 December 2005	Add 3% subject to maximum charge of 35%	
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Vans – for private use

	09-10	08-09
Chargeable amount	TBA	£3,000

No charge if private use limited to journeys between home and work

FUEL BENEFIT

	09-10	08-09
Multiply the same CO ₂ % used for car benefit by	TBA	£16,900
Vans – flat charge	TBA	£500

COMPANY CARS – ADVISORY FUEL RATES FROM 1/1/09

Engine size	Petrol	Diesel	LPG
1,400cc or less	10p	11p	7p
1,401cc to 2,000cc	12p	11p	9p
Over 2,000cc	17p	14p	12p

TAX-FREE MILEAGE ALLOWANCE – OWN VEHICLE 08 - 10

Cars	Up to 10,000 business miles: 40p per mile	Over 10,000 business miles: 25p per mile
Motorcycles	24p per business mile	
Bicycles	20p per business mile	

NATIONAL INSURANCE CONTRIBUTIONS

Class 1 Employee Not Contracted-Out of State Second Pension (S2P)

	09-10		08-09	
	Employee	Employer	Employee	Employer
NIC rate	11%	12.8%	11%	12.8%
No NICs on the first	£110 pw	£110pw	£105 pw	£105 pw
NICs charged up to	£844 pw	No limit	£770 pw	No limit
1% NIC on earnings over	£844 pw	N/A	£770 pw	N/A
Certain married women	4.85%	12.8%	4.85%	12.8%

Contracted-Out Rebate	09-10		08-09	
Rebate on	£95.01 – £770 pw		£90.01 – £770 pw	
Salary- related scheme	1.6%	3.7%	1.6%	3.7%
Money purchase scheme	1.6%	1.4%	1.6%	1.4%
Personal pension	No reduction		No reduction	

Class 1A Employer 08–10

On car & fuel benefits and most other taxable benefits: 12.8%

Limits and Thresholds	09-10			08-09		
	Weekly	Monthly	Annual	Weekly	Monthly	Annual
Lower earnings limit	£95	£412	£4,940	£90	£390	£4,680
NICs start	£110	£476	£5,715	£105	£453	£5,435
Upper accrual point	£770	£3,337	£40,040	N/A	N/A	N/A
Upper earnings limit	£844	£3,656	£43,875	£770	£3,337	£40,040

Self-employed	09-10	08-09
Class 2		
Flat rate if earnings over	£2.40 pw £124.80 pa £5,075 pa	£2.30 pw £119.60 pa £4,825 pa
Class 4*		
On profits	£5,715 – £43,875 pa: 8% Over £43,875 pa: 1%	£5,435 – £40,040 pa: 8% Over £40,040 pa: 1%
Voluntary		
Class 3 Flat rate	£12.05 pw £626.60 pa	£8.10 pw £421.20 pa
<i>*Unless over state pension age on 6 April</i>		

CHILD TRUST FUND	
Children born after 31 August 2002 – Endowment	
Initial and age 7	£250
Low income families	£500
Annual contributions from family and friends up to	£1,200

INHERITANCE TAX		
	09-10	08-09
Nil-rate band*	£325,000	£312,000
Rate of tax on excess	40%	40%
Lifetime transfers to and from certain trusts	20%	20%
Overseas domiciled spouse/civil partner exemption	£55,000	£55,000
100% relief: businesses, unlisted/AIM companies, certain farmland/buildings		
50% relief: certain other business assets		

Reduced tax charge on gifts within 7 years of death					
Years before death	0-3	3-4	4-5	5-6	6-7
% of death tax charge	100	80	60	40	20
Annual exempt gifts	£3,000 per donor		£250 per donee		
<i>*Up to 100% of the unused proportion of a deceased spouse's/civil partner's nil-rate band can be claimed on the surviving spouse's/civil partner's death after 8 October 2007</i>					

CAPITAL GAINS TAX		
Exemptions	09-10	08-09
Individuals, estates, etc	TBA	£9,600
Trusts generally	TBA	£4,800
Chattels (5/3 taxable on excess gain proceeds)	TBA	£6,000
Rates Individuals	TBA	18%
Trusts and estates	TBA	18%

Entrepreneurs' Relief 08-10	
4/9ths of business gain (effective tax rate of 10%)	Lifetime limit: £1,000,000
For trading businesses and companies (minimum 5% employee/director shareholding) held for at least one year	

STAMP DUTY LAND TAX (based on consideration)		
Residential	Commercial	Rate
£175,000* or less	£150,000 or less	Nil
Over £175,000* up to £250,000	Over £150,000 up to £250,000	1%
Over £250,000 up to £500,000	Over £250,000 up to £500,000	3%
Over £500,000	Over £500,000	4%
<i>*From 3 September 2009 £125,000 (or £150,000 for property in disadvantaged areas)</i>		
Stamp Duty (including SDRT): stocks and marketable securities		0.5%
No charge unless the duty exceeds £5		

CORPORATION TAX		
Profits £	Effective Rate to 31/3/10	Effective Rate to 31/3/09
0–300,000	21%	21%
300,001–1,500,000	29.75%	29.75%
1,500,001 and over	28%	28%

MAIN CAPITAL AND OTHER ALLOWANCES 09-10		
Plant & machinery 100% annual investment allowance (first year)		£50,000
Plant & machinery, patent rights, know-how (reducing balance) pa		20%
Certain long-life assets, integral features of buildings (reducing balance) pa		10%
Industrial & agricultural buildings (straight line)		2%
Energy & water-efficient investments		100%
Qualifying flat conversions & business premises renovations		100%
Motor cars		<i>TBA</i>
Research and Development		
Capital expenditure		100%
Revenue expenditure	small/medium-sized companies	175%
	large companies	130%

VALUE ADDED TAX	
Registration level from 1/04/09	<i>TBA</i>
Standard rate from 1/12/08 to 31/12/09	15%
Standard rate from 1/01/10	17.5%
Reduced rate, eg on domestic fuel	5%
Flat rate scheme turnover limit:	£150,000
Cash accounting scheme turnover limit:	£1,350,000

MAIN DUE DATES FOR TAX PAYMENT	
Income Tax and Capital Gains Tax – Self-Assessment	
31 Jan in tax year	} • Normally 50% of previous year's income tax, less tax deducted at source
Following 31 July	
Following 31 Jan	
	} • Balance of income tax and all CGT
Inheritance Tax	
On death	Normally 6 months after month of death
Lifetime transfer 6 April – 30 September	30 April in following year
Lifetime transfer 1 October – 5 April	6 months after month of transfer
Corporation Tax	
Self-Assessment : 9 months after accounting period	
<ul style="list-style-type: none"> • Payable by instalments where profits are £1.5m or over. Normally payable in 7th, 10th, 13th and 16th months after start of accounting period • Growing companies: no instalments where profits are £10m or less and the company was not a large company for the previous year 	

USEFUL LINKS

HM Revenue & Customs Pre-Budget Report

http://www.hm-treasury.gov.uk/prebud_pbr08_press02.htm

Income Tax Rates and Allowances

<http://www.hmrc.gov.uk/rates/it.htm>

Stamp Duty

<http://www.hmrc.gov.uk/so/temp-exempt-sdlt-details.htm>

VAT change

<http://www.hmrc.gov.uk/pbr2008/vat-guide-sum.pdf>

HM Treasury Budget Report 2009 (when published)

http://www.hm-treasury.gov.uk/bud_bud09_index.htm