

Tax & Benefit Tables 2014-15

A Summary Guide



5th April 2014 -6th April 2015

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Personal Income Taxes

Income Tax Rates

Tax Bands	Income Threshold	Income Tax	Dividend Tax
Savings Rate	£2,880	10%	10%
Basic Rate	£10,000	20%	10%
Middle Rate	£31,865	40%	32.5%
Higher Rate	£150,000	45%	37.5%
Trusts	£1,000	45%	37.5%

Income Tax Allowances (Annually)

Age Bands	Allowance	Threshold	Threshold Reduction
Upto Age 64	£10,000	£100,000	£1 Reduction per £2 Threshold Excess with no Lower Limit
Age 65 to 74	£10,500	£27,000	£1 Reduction per £2 Threshold Excess subject to £9,440 Minimum
Age 75 +	£10,660		

Other Income Taxes & Allowances (Annually)

Consideration	Threshold	Tax Rate	Tax Relief	
Rent a Room	£4,250	0%		
Golden Handshake	£30,000			
Seed Enterprise Investment Schemes *	£100,000			50%
Venture Capital Trusts *	£200,000			30%
Enterprise Investment Schemes *	£2,000,000			30%

SEIS/EIS are CGT Exempt if held for a minimum of 3 Years

* Reduces Taxable Income only if available and subject to Shares being held for minimum of 3 Years

National Insurance Contribution Thresholds (Weekly)

Class	Contributor	Band	Rate
1	Employed	£5,772	0.0%
		£7,956	12.0%
		£41,860	2.0%
1A	Employer	£7,696	13.8%
2	Self Employed	Stamp Rate	£2.75
4		£5,885	0.0%
		£7,956	9.0%
		£41,865	2.0%

NIC's are paid as a statutory requirement by all UK Income Tax Residents aged 16 to 64 only, subject to their relevant Employed/Self Employed Income Threshold.

Capital Gains Tax

Tax Bands	Annual Threshold	Tax Rate
Personal Rate (All Individuals)	£11,000	18%
Trust Rate (All Trustees)	£5,500	28%
Govt Gilts & Corporate Bonds	None	0%
Seed Enterprise Investment Schemes *	£100,000	0%
Enterprise Investment Schemes *	£2,000,000	
Chattels (Personal Valuables)	£6,000	0%

Capital Gains Tax is only applied as and when any such gains are materialised. Although any unused Annual Allowance cannot be carried forward; any materialised losses in the previous 6 years can be brought forward and offset against a current year gain.

* Subject to Shares being held for minimum of 3 Years

Stamped Taxes (Duties)

Tax	Threshold	Tax Rate
VAT (Standard Charge Rate)	None	20%
VAT Registration Threshold	£81,000	
Stamp Duty Land Tax (SDLT)	£0 - £125,000	0%
SDLT as applied to Residential Property Purchases only.	£125,000 - £250,000	1%
	£250,000 - £500,000	3%
	£500,000 - £1,000,000	4%
	£1,000,000 - £2,000,000	5%
	£2,000,000 +	7%
Stamp Duty Reserve Tax (SDRT) Applies to all Stocks & Shares Purchase Transactions.	None	0.5%

Purchase Values upto £1,000 are Exempt.

ISA Contributions (Individual Savings Accounts) @ July 2014

Consideration	Annual Allowance	Tax Rate *
Adult ISA (Age 18+)	£15,000	0%
Junior ISA (Cash Only)	£15,000	0%

* Applies to Income Tax & Capital Gains Tax excluding Basic Rate 10% Dividend Tax

Personal/Employer Pension Contributions

Annual Allowances	Gross Allowance		Maximum Tax Relief
Minimum Personal Allowance	£3,600		20% (Irrespective of Taxable Income)
Maximum Personal Allowance	£40,000	or	20% / 40% (Subject to Taxable Income)
	100% Qualifying Earnings < £40,000		
Maximum Employer Allowance	£40,000	or	20% / 25% (Subject to Business Profits)
	100% Qualifying Earnings < £40,000		

Annual Contributions in excess of the Annual Allowance are permissible but do NOT receive any Personal or Employer Tax Relief. Likewise, they are NOT subject to any Annual Penalties.

Lifetime Allowances	Gross Allowance	Maximum Tax Surcharge
Maximum Lifetime Allowance	£1,250,000	0% (Irrespective of PAYE Tax)
Excess Lifetime Allowance	£1,250,001	40%
Excess Lifetime Cash Benefit	£1,250,001	55%
Excess Lifetime Income Benefit	£1,250,001	25%
Trivial Commutation *	£30,000	(Subject to PAYE Tax)

* Trivial Commutation includes ALL Personal/Employer Pensions, and must be exercised within any ONE year from Age 60 to 74 only. Benefits remitted as Tax Free Capital Sum (25%) + Residual Capital Balance (75%).

State Pension & Other Benefits (Weekly)

	Gross Benefit	Tax Rate	Qualifying Years		
Basic State Pension	£113.00	0% - 45% (Personal Income Tax Rates)	Men	65	30 Years
Second State Pension	PAYE Based		Women	65 @ 2015	
Pension Credit (Individual)	£148.50		Qualifying Age		
Pension Credit (Couple)	£226.50				
Pension Deferral	10% per Deferral Year		Men & Women	66 < April 1960	67 > March 1961
Income Support (Individual)	£113.70	Adult Couple	£5,912		
Disability Payment (Individual)	£81.30	16 +	£7,178.60		
Carers Payment (Individual)	£56.75				

Inheritance Tax

UK Status *	Maximum Allowance	Allowance Period	Tax Rate
UK Domiciled Individuals	£325,000	Lifetime	0%
	£325,000 +		40%
UK Domiciled Couples	£650,000		0%
	£650,000 +		40%
Non UK Domiciled Individuals	£55,000		0%
	£55,000 +		40%
Non UK Domiciled Couples	£325,000		0%
	£325,000 +		40%
UK Registered Charities **	Unlimited		0%

* Individuals are 'Deemed Domicile' if UK Resident 17+ Years of 20 Years preceding Death.

** Residual Estate IHT is reduced to 36% if Charity Donation equals 10% or more of Gross Estate Value.

Potentially Exempt Transfers	Years Preceding Death	IHT Rate Reduction	
UK Domiciled & Non UK Domiciled Individuals & Couples	0 - 3 Years	0%	Full IHT Charge @ 40%
	3 - 4 Years	20%	
	4 - 5 Years	40%	
	5 - 6 Years	60%	
	6 - 7 Years	80%	
	7 Years +	100%	No IHT Charge (0%)

Exempt Transfers	Exemption	Basis
Capital Gifts	£3,000	Single Annual Gift
Wedding Gifts	£5,000	Each Son/Daughter
Small Gifts	£250	Each Person Annually (Unlimited)
Registered Charities *	Unlimited	Full PAYE Personal / Corporation Tax Relief

* Charities can reclaim Basic Rate Income Tax via 'Gift Aid' Donations;
Individuals/Businesses can reclaim Full Income/Corporation Tax Relief via HMRC.

or

General Notes

Please note that this document is provided for your information only, and is not therefore intended to convey any Financial Advice or Recommendations. We hope that you will find this information useful, and that you may be guided by it.

The data contained within this document has been sourced and compiled from HMRC, and whilst we believe it to be correct, we may not be held liable for any inaccuracies or subsequent changes to this information.

We would also be happy to help you further if you consider that you would like our Financial Advice on these or any other Financial Planning matters.