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**TAX RATES  
2018-19**

	2018/19	2017/18
<b>Income Tax</b>		
<b>Allowances</b>		
Personal Allowance (PA)*	£11,850	£11,500
Marriage Allowance†	1,150	1,150
Blind Person's Allowance	2,320	2,320
Rent a room relief**	7,500	7,500
Trading Income**	1,000	1,000
Property Income**	1,000	1,000
*PA will be withdrawn at £1 for every £2 by which 'adjusted income' exceeds £100,000. There will therefore be no allowance given if adjusted income is £123,700 or more.		
†£123,700, that is transferable to a spouse or civil partner who is not a higher or top rate taxpayer.		
**If gross income exceeds it, the limit may be deducted instead of actual expenses.		
<b>Rate bands</b>		
Basic Rate Band (BRB)	£34,500	£33,500
Higher Rate Band (HRB)	34,501 – 150,000	33,501 – 150,000
Additional rate	over 150,000	over 150,000
Personal Savings Allowance (PSA)	1,000	1,000
- Higher rate taxpayer	500	500
- Dividend Allowance (DA)	2,000	5,000
Bare (Scottish: intermediate rate band) and additional rate threshold are increased by personal pension contributions (up to permitted limit) and Gift Aid donations.		
<b>TAX RATES</b>		
<b>2018/19 &amp; 2017/18</b>		
Basic rate	20%	20%
Higher rate	40%	40%
Additional rate	45%	45%
General income (salary, pensions, business profits, rent) usually uses personal allowance, basic rate and higher rate bands before savings income (interest). Scottish taxpayers are taxed at different rates on general income (see below).		
To the extent that savings income falls in the first £5,000 of the basic rate band, it is taxed at the basic rate.		
The PSA, taxes interest at nil, where it would otherwise be taxable at 20% or 40%.		
Dividends are normally taxed at the 'top slice' of income. The DA taxes the first £2,000 of dividends.		
Dividends are normally taxed at nil, rather than the rate that would otherwise apply.		
<b>Income tax - Scotland 2018/19</b>		
Standard rate	19%	19%
Intermediate rate	21%	21%
Higher rate	41%	41%
Top rate	46%	46%
The Scottish rates and bands do not apply for savings and dividend income, which are taxed at normal UK rates.		
In 2017/18, the Scottish rates were the same as in the rest of the UK, except that the higher rate band began at £11,500 rather than £10,000.		
<b>High Income Child Benefit Charge (HICBC)</b>		
2% of child benefit for each £100 of adjusted net income between £50,000 and £60,000.		

	2018/19	2017/18
<b>Income Tax (continued)</b>		
<b>Remittance basis charge</b>		
For non-UK domiciled individuals who have been UK resident in at least 7 of the preceding 14 tax years	£30,000	£30,000
12 of the preceding 14 tax years	60,000	60,000
15 of the preceding 20 tax years	Deemed to be UK domiciled	
<b>Pensions</b>		
Registered Pensions	2018/19	2017/18
Lifetime Allowance (LA)	£1,030,000	£1,000,000
Annual Allowance (AA)	40,000	40,000
Annual allowable pension inputs are the higher of earnings (capped at AA) or £4,000.		
<b>State pension (per week)</b>	2018/19	2017/18
Single person	£123.95	£122.30
Married couple	201.45	195.60
New state pension†	164.35	159.55
†Applies to those reaching state retirement age after 5 April 2016.		
<b>Annual investment limits</b>		
Individual Savings Account (ISA)	2018/19	2017/18
- Overall limit	£20,000	£20,000
- Junior ISA	4,000	4,000
- Lifetime ISA	4,260	4,128
EIS - 30% relief*	2,000,000	1,000,000
EIS eligible for CGT deferral relief	Unlimited	Unlimited
Seed EIS (SEIS) - 50% relief	100,000	100,000
SEIS - 50% exemption for reinvested gains	100,000	100,000
Venture Capital Trust (VCT) - 30% relief	200,000	200,000
*For 2018/19, amount over £1m must be invested in 'knowledge-intensive' companies.		
<b>National Insurance Contributions</b>		
<b>Class 1 (Employees)</b>		
Employee	12%	13.8%
Employer	13.8%	13.8%
Main NIC on first £162pw	£892pw	N/A
No NIC on earnings above £892pw	N/A	N/A
2% rate on earnings above £892pw	N/A	£3,000
Employment allowance per business**		
- Nil rate of employer NIC for employees under the age of 21 and apprentices under 25, up to £892pw.		
- Some businesses do not qualify, including certain sole director companies.		
*Employee 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).		

	2018/19	2017/18
<b>Inheritance Tax</b>		
Nil rate band (NRB)*	£325,000	£325,000
NRB residential enhancement (RNRB)†	£125,000	100,000
Tax rate on death**	40%	40%
Tax rate on lifetime transfers to most trusts	20%	20%
NRB is available for transfers of a main residence to direct descendants. It tapers away at the rate of £1 for every £2 of estate value above £2m.		
†The proportion of a deceased spouse's or civil partner's unused NRB and RNB band may be claimed to increment the current NRB and RNB when the survivor dies.		
**Rate reduced to 36% if at least 10% of the relevant estate is left to charity.		
Unlimited exemption for transfers between spouses/civil partners, except if UK domiciled transferor and foreign domiciled transferee, where maximum exemption is £325,000.		
100% Business Property Relief (BPR) for all shareholdings in qualifying unquoted trading companies, qualifying unincorporated trading businesses and certain Farmland/buildings.		
<b>Reduced tax charge on gifts within 7 years before death</b>		
Years before death	0-3	4-5
% of Full death tax charge payable	100	80
60	40	20
Annual exemptions for lifetime gifts include £3,000 per donor and £250 per recipient.		
<b>Key dates and deadlines</b>		
<b>Self Assessment payment dates</b>	2018/19	2017/18
1st payment on account	31 January	2018
2nd payment on account	31 July	2018
Balancing payment	31 January	2019
Capital Gains Tax*	31 January	2020
2019		
*Non-residents with gains on UK residential property must pay CGT within 30 days of disposal unless already filing a self assessment tax return.		
<b>Other payment dates</b>		
Class 1A NIC	19 July	2019
Class 1B NIC	19 October	2019
Corporation tax is due 9 months and 1 day from the end of the accounting period, unless a large company paying by quarterly instalments.		
<b>2017/18 Filing deadlines</b>		
Issue P60s to employees	31 May 2018	
P11D, P11D(b)	6 July 2018	
Self Assessment Tax Return (SAR) paper version	31 October 2018	
Self Assessment on-line return	30 October 2018	
To be included in 2019/20 PAYE code	30 December 2018	
Online SAR	31 January 2019	

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

	2018/19	2017/18
<b>Capital Gains Tax</b>		
Annual exempt amount	£11,700	£11,300
Individuals, estates	5,850	5,650
Most trusts		
<b>Tax rate</b>		
Individual (to basic rate limit)*	10%	10%
Individual (above basic rate limit)*	20%	20%
Entrepreneurs' Relief (ER)**	10%	10%
Trusts, estates*	20%	20%
*Individuals are taxed at 18%/28% on gains on residential property and receipts of interest. Trusts and estates are taxed at 28% in these circumstances.		
**ER is available for lifetime gains of up to £1m. Qualifying disposals include a trading business and shares in a trading company (from a minimum 5% holding) by an officer/employee. Various conditions apply.		
<b>Corporation Tax</b>		
<b>Year to</b>	31.3.2019	31.3.2018
Corporation Tax rate	19%	19%
Research and development relief	From 1.1.2018 to 31.12.2017	
SME enhanced expenditure deduction scheme*	130%	130%
Large company R&D Expenditure Credit (RDEC) scheme**	12%	11%
*Available expenditure credit for qualifying R&D. SMEs that are not eligible for the deduction to HMRC, in exchange for a payment of 14.5% of the loss.		
<b>Main capital allowances</b>		
100% Annual Investment Allowance (AIA)		£200,000
- energy/water-efficient equipment		100%
- writing down allowance: general rate pool (reducing balance)		8%
- writing down allowance: special rate pool (reducing balance)		18%
The special rate pool includes long life assets, integral plant in buildings, thermal insulation.		
<b>Motor cars purchased</b>	From 1.4.15 to 31.3.18	Allowance
CO <sub>2</sub> (g/km)	up to 50	100%
CO <sub>2</sub> (g/km)	up to 75	18% pa
up to 110	above 130	8% pa
above 110	above 130	

	2018/19	2017/18
<b>Annual Tax on Enveloped Dwellings (ATED)</b>		
ATED applies to residential properties valued at more than £0.5m owned by a corporate structure, unless used for a qualifying purpose.		
<b>Property value</b>	31.3.2019	31.3.2018
£0.5m – £1m	£3,600	£3,500
£1m – £2m	7,250	7,050
£2m – £5m	24,250	23,550
£5m – £10m	56,550	54,950
£10m – £20m	113,400	110,100
Over £20m	226,950	220,350
<b>Stamp Duty Land Tax (SDLT), Land and Buildings Transaction Tax (LBTT) and Land Transaction Tax (LTT)</b>		
<b>Residential property (1st property only)</b>		
SDLT - England & NI	Rate on band	Rate on band
Up to 125	Nil	Nil
125 – 250	2%	2%
250 – 500	5%	5%
500 – 750	10%	10%
750 – 1,500	12%	12%
Over 1,500	12%	12.0%
LTT - Wales	Rate on band	Rate on band
Up to 180	Nil	Nil
180 – 350	3.5%	3.5%
350 – 400	5.0%	5.0%
400 – 750	7.5%	7.5%
Over 750	10.0%	10.0%
LTT rebates SDLT in Wales from 1 April 2018.		
A supplement of 3% of the total purchase price applies for all three taxes where an additional residential property is purchased for more than £400,000 (unless replacing a main residence). It is also payable by all corporate purchasers.		
For SDLT:		
- From 22.11.17, first-time buyers purchasing a property of up to £500,000 pay a nil rate on the first £300,000 of purchase price.		
- From 23.03.18, first-time buyers purchasing a property of up to £600,000 pay a nil rate on the first £300,000 of purchase price.		
- Rates above £500,000 and purchased by a 'non-natural person' (e.g. a company).		
<b>Non-residential or mixed use property</b>		
SDLT - England & NI	Rate on band	Rate on band
Up to 150	Nil	Nil
150 – 250	2%	2%
250 – 500	3.0%	3.0%
500 – 750	4.5%	4.5%
Over 750	5%	5%
Over 1,000	6%	6%
<b>Value Added Tax</b>		
Standard rate (1/6 of VAT-inclusive price)	20%	
Registration level from 1.4.2017	£85,000 per annum	
£83,000 per annum		
<b>Flat Rate Scheme (FRS)</b>		
Annual taxable turnover to enter scheme	Up to £150,000	
Annual leave scheme if annual gross turnover	Exceeds £230,000	