

## LIBA ACCOUNTING

Helping people make better informed financial decisions

Tax data facts  
2017-18

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### Income Tax Bands

	2016-17	2017-18
Basic rate	£0 - £32,000	£0-£33,500
Higher rate	£32,001-£150,000	£33,501-£150,000
Additional rate	Over £150,000	Over £150,000

### Income Tax Rates

	2016-17	2017-18
Basic rate	20%	20%
Higher rate	40%	40%
Additional rate	45%	45%
Dividend for basic rate	7.50%	7.50%
Dividend for higher rate	32.50%	32.50%
Dividend additional rate	38.10%	38.10%

### Income Tax allowances

	2016-17	2017-18
Personal Allowance*	£11,000	£11,500
Income limit for Personal Al	£100,000	£100,000
Marriage Allowance	£1,100	£1,150
Married Couples Min	£3,220	£3,260
Allowance # Max	£8,355	£8,445
Income limit for Married Co	£27,700	£28,000
Blind Person's Allowance	£2,290	£2,290
EIS relief (30%)	£1,000,000	£1,000,000
SEIS relief (50%)	£100,000	£100,000
VCT relief (30%)	£200,000	£200,000
SIR relief at (30%)	£1,000,000	£1,000,000

\* Personal Allowance reduces for £1 for every £2 of income in excess of the Personal Allowance income limit.

^Age-related Personal Allowances reduce by £1 for every £2 of income in excess of the Personal Allowance, to a minimum of the standard personal rat

# Married Couples Allowance is available where at least one spouse/civil partner was born before 6 April 1935. The allowance reduces by £1 for every £2 of adjusted net income in excess of the Personal Allowance income limit, but not below the minimum.

### Tax efficient allowances

	2016-17	2017-18
Overall allowance		
ISA including Innovative Finance	£15,240	£20,000
Help to buy ISA	£1000 initial +£200pm	£1200 initial + £200pm
Lifetime ISA	N/A	£4,000
Junior ISA	£4,080	£4,128
Child Trust Fund (CTF)	£4,080	£4,128
Dividend Allowance	£5,000	£5,000
Personal Savings Allowance - basic rate	£1,000	£1,000
Personal Savings Allowance - higher rate	£500	£500

Personal pensions

The maximum balance of contributions on which a member can claim tax relief in any year is the greater of:

- The basic allowable amount of £3,600 gross
- Their relevant UK earnings, subject to

### Annual allowances

Tax year	Allowance
2017-18	£40,000
2016-17	£40,000
2015-16	£40,000
2014-15	£40,000
2013-14	£50,000

### Lifetime allowances

Tax year	Allowance
2017-18	£1,000,000
2016-17	£1,000,000
2015-16	£1,250,000
2014-15	£1,250,000
2013-14	£1,500,000

The annual allowance is reduced to £10,000 for those in receipt of adjusted income' in excess of £150,000.

The money purchase annual allowance (MPAA) will apply to many who have taken benefits from their direct contribution pension savings and continue to contribute.

### Auto enrolment

Minimum contribution	Employee	Employee	Total
Staging date to 5 April 2018	1%	1%(0.8%)	2%
6 April 2018 to 5 April 2019	2%	3% (2.4%)	5%
6 April 2019 onwards	3%	5%(4.0%)	8%

- Minimum salary parameters: £5,876- £45,000

- Earning trigger: £10,000

- Minimum age parameters: 22 to normal pensionable age

### State benefits

State pension per week (pw)	2017-18	Stamp duty in England, Wales and Northern Ireland			
Old state pension - basic pension single person	£122.30	Residential	Tax	Non-residential	Tax
Old state pension - basic pension additional	£243.25	£1-£125,000	0%	£1-£150,000	0%
lower		£125,000- £250,000	2%	£150,000-£250,000	2%
New state pension (max)	£159.55	£250,000 - £925,000	5%	Over £250,000	5%
		£925,000 - £1,500,000	10%		
		Over £1,500,000	12%		
Social Security (pw)	2017-18	In Scotland			
Statutory adoption/maternity/paternity pay	£140.98	Residential	Tax	Non-residential	Tax
Child Benefit	£20.70	£1-£145,000	0%	£1-£150,000	0%
First child	13.7	£145,000-£250,000	2%	£150,000-£350,000	3%
Other children		£250,000-£325,000	5%	Over £350,000	5%
Guardian's allowance	£16.70	£325,000-£750,000	10%		
Statutory Sick Pay	£89.35	Over £750,000	12%		
Jobseeker's Allowance (aged 25+)	£73.10				

### Company cars and fuel

Benefit charge	2016-17	2017-18	Across the uk there is 3% supplement to residential rates for buy to let second homes worth in excess of £40,000		
Car fuel benefit charger mu	£22,200	£22,600.00	Assets	2016-17	2017-18
Van fuel benefit charge	£598	£610.00	Shares and securities	0.50%	0.50%
Van benefit charge	£3,170	3230			

CO2 emissions (g/km)	Diesel	Other	Capital Gains Tax (CGT)		
0-50	12%	9%	Exemptions	2016-17	2017-18
51-75	16%	13%	Individuals	£11,100	£11,300
76-94	20%	17%	Trusts	£5,550	£5,650
Each additional 5	1%	1%			
Max benefit	37%	37%			

HMRC advisory fuel rates (from 1 December 2016)	Petrol (per mile)	LPG (per mile)	Rates	2016-17	2017-18
1400cc or less	11p	7p	Individuals (basic rates)	10%	10%
1401cc-2000cc	14p	9p	Excess	20%	20%
Over 2000cc	21p	13p	Trustees	20%	20%

	Diesel (per mile)	Value Added Tax (VAT)		
			2016-17	2017-18
1600cc or less	9p	Registration level	£82,000	£85,000
1601cc-2000cc	11p	Standard rate	20%	20%
Over 2000cc	13p			

Approved mileage allowance rates	Per mile	Corporation Tax		
Private cars and vans - first 10,000 miles in year	45p	Taxable profits	2016-17	2017-18
Private cars and vans - additional miles	25p	Main rate	20%	19%
Each qualifying passenger	5p			
Motorcycle	24p			
Bicycle	20p			

### National Insurance

Class 1 - employees earnings (pw)	Employee	Employer
Below £157	0%	0%
£157.01 to £866	12%	13.8%
Over £866	2%	13.8%

Class	Description	2017-18
2	Flat rate (small earnings exception £6,025)	£2.85pw
3	Flat rate (voluntary)	£14.25pw
4	On profits of less than £8,164	0%
	On profits £8,164 - £45,000	9%
	On profits over £45,000	2%

Additional allowances are available eg for apprentices

### Estate Planning

Main exemptions		
AIM/EIS stocks held for more than 2 years prior to death		Unlimited
Gifts to UK charities		Unlimited
Gifts between UK domiciled spouses		Unlimited
Normal expenditure out of income		Unlimited
Annual allowance		£3,000
Small gifts to any one person		£250
Gifts on marriage	by parent	£5,000
	by grandparent	£2,500
	by other	£1,000

Inheritance Tax	2017-18
Nil rate band	£325,000
Tax on excess for potentially exempt or chargeable transfers within seven years of death	40%
Tax on excess for chargeable transfers on death where over 10% of estate is left to charity	36%
Tax rate on estate balance for other chargeable lifetime transfers	20%

Reduced charge on gifts within seven years of death					
Years before death	0-3	3-4	4-5	5-6	6-7
% of death charge	100%	80%	60%	40%	20%