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Personal tax rates and allowances

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Year ended	2009/10	2008/09	2007/08	2006/07	2005/06	2004/05	2003/04	2002/03	2001/02	2000/01	1999/00	1998/99
	£	£	£	£	£	£	£	£	£	£	£	£
Personal	6,475	6,035	5,225	5,035	4,895	4,745	4,615	4,615	4,535	4,385	4,335	4,195
Married couples allowance*		0	0	0	0	0	0	0	0	0	1,970	1,900
Additional personal allowance*		0	0	0	0	0	0	0	0	0	1,970	1,900
Childrens tax credit*		0	0	0	0	0	0	5,290	5,200			
*Allowance is restricted to relief at:								10%	10%	n/a	10%	15%

Income tax is charged at:	2009/10	2008/09	2007/08	2006/07	2005/06	2004/05	2003/04	2002/03	2001/02	2000/01	1999/00	1998/99
10% on the first	2440*	2230*	2,230	2,150	2,090	2,020	1,960	1,920	1,880	1,520	1,500	
20% on the first (if no savings income)	37,400	34,800										4,300
22% on the next			32,370	31,150	32,380	29,380	28,540	27,980	27,520	26,880		
23% on the next											26,500	22,800
24% on the next												
25% on the next												
40% on the excess over			34,600	33,300	32,400	31,400	30,500	29,900	29,400	28,400	28,000	27,100
Tax credit on dividends is:	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	20%
but satisfies basic rate liability.												
* savings income only												
Higher rate taxpayers pay an additional:	22.50%	22.50%	22.50%	22.50%	22.50%	22.50%	22.50%	22.50%	22.50%	22.50%	22.50%	20%
of the gross dividend.												



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Allowable pension contributions are:										
Year ended	2009/10	2008/09	2007/08	2006/07						
There is no limit on the amount you can put into a pension scheme in each year										
Tax relief is limited to contributions up to	245,000	235,000	225,000	215,000						
But in any even no more than your taxable earnings										
Standard lifetime allowance	1,750,000	1,650,000	1,600,000	1,500,000						
Capital gains tax annual exemption		9,600	9,200		7,900	7,700	7,500	7,200	7,100	6,800
Husband and wife are both entitled to the annual exemption.										

Inheritance tax												
Year ended	2009/10	2008/09	2007/08	2006/07	2005/06	2004/05	2003/04	2002/03	2001/02	2000/01	1999/00	1998/99
Transfers on death												
Tax free amount		312,000	300,000	285,000	275,000	263,000	255,000	250,000	242,000	234,000	231,000	223,000
Tax rate on excess	40%	40%	40%	40%	40%	40%	40%	40%	40%	40%	40%	40%
Taper relief												
Years between gift and death												
More than	3	4	5	6								
Not more than	4	5	6	7								
Percentage of full tax charge at death rates actually due												
	80%	60%	40%	20%								



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Car benefit scales

Starting on 6 April 2002 car benefits will be based on CO2 emissions. The rate will be graduated from 15% to 35% and will be a percentage of list price.

This table shows the range to be applied.

Year ended	2009/10	2008/09	2007/08	2006/07	2006/07	2005/06	2004/05	2003/04	2002/2003
15%, no more than		135	140	140	140	140	145	155	165
35% maximum charge applies at							245	255	265

There is a small supplement if the car is diesel powered* but diesel produces less CO2 so an equivalent sized diesel engine will usually produce a lower charge than a petrol car.

*The supplement does not apply to Euro IV compliant engines.

Cars first registered before 1 January 1998 or imported from outside the EU are not considered to have reliable CO2 emissions figures so they will be taxed on the old percentage of list price based on engine size basis.

For 1994/95 to 2001/02 car benefit is based on the list price, subject to a maximum of £80,000, of the car when new. This price can be reduced by up to £5,000 where the employee makes a capital contribution to the purchase price.

The benefit is the list price, less any reduction, multiplied by a percentage

Year ended	2001/02	2000/01	1999/00	1998/99
Less than 2,500 business miles	35.00%	35.00%	35.00%	35.00%
2,500 to 17,999 business miles	25.00%	25.00%	25.00%	23.33%
18,000 business miles or more	15.00%	15.00%	15.00%	11.67%

If the car is 4 or more years old at the end of the tax year then the charge is reduced by 1/3. A second car is taxed at 35% but from 6 April 1999 a lower charge of 25% will apply if that is also used for more than 18,000.



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Van benefit scales starting in 1993/94

Year ended	2008/09	2007/08	2006/07	2005/06	2004/05	2003/04	2002/03	2001/02	2000/01	1999/00	1998/99
Vehicles under 3.5 tonnes	3000	3000	500	500	500	500	500	500	500	500	500
Fuel benefit	500	500									
Age of van at end of tax year is more than 4 years	N/A	N/A	350	350	350	350	350	350	350	350	350

Car fuel scale benefit

Note: the age of the car is irrelevant

The scale benefit does not increase if business miles are less than 2,500.

Year ended	2008/09	2007/08	2006/07	2005/06	2004/05	2003/04	2002/03	2001/02	2000/01	1999/00	1998/99
Petrol											
1400cc or less							2,240	1,930	1,700	1,210	1,010
1401cc to 2000cc							2,850	2,460	2,170	1,540	1,280
Over 2000cc							4,200	3,620	3,200	2,270	1,890
Diesel											
Up to 2000cc							2,850	2,460	2,170	1,540	1,280
Over 2000cc							4,200	3,620	3,200	2,270	1,890



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Mileage allowances under Inland Revenue authorised rates.

Where an employee receives a mileage allowance from his employer for using his own car for work the allowance is free of tax so long as it does not exceed:

Year ended	2009/10	2008/09	2007/08	2006/07	2005/06	2004/05	2003/04	2002/03
First 10,000 business miles*	40.0p	40.0p	40.0p	40.0p	40.0p	40.0p	40.0p	40.0p
Mileage in excess of 10,000 miles*	25.0p	25.0p	25.0p	25.0p	25.0p	25.0p	25.0p	25.0p

Other mileage rates

Year ended	2009/10	2008/09	2007/08	2006/07	2005/06	2004/05	2003/04	2002/03	2001/02	2000/01	1999/00
Motorbikes			24.0p	24.0p	24.0p	24.0p	24.0p	24.0p			
Bicycles!			20.0p	20.0p	20.0p	20.0p	20.0p	20.0p	20.0p	12.0p	12.0p
Tandems									25.0p		

National insurance

Year ended	2009/10	2008/09	2007/08	2006/07	2005/06	2004/05	2003/04	2002/03	2001/02	2000/01	1999/00	1998/99
Class 2 per week		2.30	2.20	2.10	2.10	2.05	2	2	2	2	6.55	6.35
Small earnings exemption limit		4,825	4,635	4,465	4,345	4,215	4,095	4,025	3,955	3,825	3,770	3,590
Class 4*		8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	7.00%	7.00%	7.00%	6.00%	6.00%
Lower limit		5,435	5,225	5,035	4,895	4,745	4,615	4,615	4,535	4,385	7,540	7,310
Upper limit **		40,040	34,840	33,540	32,760	31,720	30,920	30,420	29,900	27,820	26,000	25,220

** from 6 April 2003 Class 4 NI will be payable on all profits above the upper limit at a rate of 1%

* up to 1995/96 50% of the amount payable was tax deductible. From 1996/97 it is no longer.