

Alden & Co

Chartered Certified Accountants

Income Tax Allowances

	2008/09	2007/08
Personal allowance	£	£
general	6,035.00	5,225.00
aged 65 to 74 in tax year	9,030.00	7,550.00
aged 75 or over in tax year	9,180.00	7,690.00
age allowance income limit	21,800.00	20,900.00
minimum where income exceeds limit	5,435.00	5,225.00

Married couple's allowance (relief at 10%)		
either partner aged under 75 and born before 6 April 1935	6,535.00	6,285.00
either partner aged 75 or over in year of assessment	6,625.00	6,365.00
age allowance income limit	21,800.00	20,900.00
minimum where income exceeds limit	2,540.00	2,440.00

* Available for civil partners

Blind Persons Allowance	1,800.00	1,730.00
-------------------------	----------	----------

Income tax rates

Taxable Income	Band	Rate
£	£	%
2008/09		
0 - 34,800	34,800	20
Over 34,800		40

2007/08		
0-2230	2,230.00	10
2231-34600	32,370.00	22
Over 34600		40

National insurance Contributions

2008/09

Class1 (earnings related)

	Not contracted out	Contracted out
Employees		
<i>Weekly Earnings</i>		
First £105	nil	nil
On balance up to £770	11%	9.4%
Over £770	1%	1%

Employers	NCO	SRS	MPS
<i>Weekly Earnings</i>			
First £105	nil	nil	nil
On balance up to £770	12.8%	9.1%	11.4%
Over £770	12.8%	12.8%	12.8%

Class 1A and class 1B -12.8%

Class 2 (self employed) - flat rate £2.30 a week. Small earnings exemption £4825 a year.

Class 3 (voluntary contributions) - £8.10 a week.

Class 4 (self employed) -8% of profits between £5435 and £40,040 a year.

1% of profits above £40,040 a year

Inheritance Tax

Transfers after 5 April and before 6 April 2009

Death Rates	
Gross Transfers	Rate %
Up to £312,000*	nil
Over £312,000	40

* Unused nil rate band is transferable to spouse or civil partner
Chargeable lifetime transfers are initially charged at 20%.
Annual gifts of up to £3,000 per donor are exempt.

Capital Gains Tax

Annual exempt amounts 2008/09		£
Individuals, disabled trusts, personal representatives for year of death and two years thereafter.		9,600
Trusts Generally		4,800
Rate		18%

Entrepreneurs' Relief

Qualifying gains reduced by 4/9 (1million lifetime limit)

Corporation tax

Financial year to	31/03/2009	31/03/2008
Full rate	28%	30%
Small companies rate	21%	20%
20%/19% rate	£300,000	£300,000
Marginal relief limit	£1,500,000	£1,500,000
Marginal relief fraction	7/400	1/40
Effective marginal rate	29.75%	32.5%

Individual Savings Accounts

	Overall Limit	Cash Limit
2008/09	£7,200	£3,600
2007/08	£7,200	£3,600

Savings are exempt from income tax and capital gains tax.

Car Benefit

CO ² emissions 2008/09	% of list price (max. £80,000)	
grams per km	Petrol	Diesel
120	10	13
135	15	18
140	16	19
145	17	20
150	18	21
155	19	22
160	20	23
165	21	24
170	22	25
175	23	26
180	24	27
185	25	28
190	26	29
195	27	30
200	28	31
205	29	32
210	30	33
215	31	34
220	32	35
225	33	35
230	34	35
235	35	35

For cars registered from 1 January 1998 with no CO² emissions figures, the tax charge is 15% of the list price for engines up to 1,401cc, 25% for engines of 1,401cc to 2,000cc and 35% for over 2,000cc (18%, 28% and 35% for diesel cars).

Car Fuel Benefit

For 2008/09, car fuel is calculated by applying the above car benefit percentage to a figure of £16,900

Tax-Free Mileage Allowances

Employees' own vehicle	
Motorcars and vans	2008/09
Up to 10,000 business miles	40p
Over 10,000 business miles	25p
Each passenger making the same trip	5p
Motorcycles	24p
Cycles	20p

Stamp Taxes

Shares and marketable securities 0.5%
Rounded up to the nearest multiple of £5

Transfers of land and buildings (consideration paid)

Residential	Non-Residential	Rate
£125,000 or less	£150,000 or less	nil
£125,001 - £250,000	£150,001 - £250,000	1%
£250,001 - £500,000	£250,001-£500,000	3%
Over £500,000	Over £500,000	4%

Leases

Rent (net present value)

Residential	Non Residential	Rate
Up to £125,000	Up to £150,000	Nil
Over £125,000	Over £150,000	1%

Premiums

Duty on premiums is the same as transfers of land
(but special rules apply to non residential property where rent exceeds £1'000 annually)

Value added tax

Standard rate 15% from 1st December 2008
Standard rate 17.5% up to 30th November 2008

Lower rate 5%

Registration level from 1 April 2008	£67,000pa
Deregistration level from 1 April 2008	£65,000pa

VAT car fuel scale charges from 1 May 2008

<i>CO²</i> emissions grams per km	Quarterly Returns £	Monthly Returns £
120	138	46
135	207	69
140	221	73
145	234	78
150	248	82
155	262	87
160	276	92
165	290	96
170	303	101
175	317	105
180	331	110
185	345	115
190	359	119
195	373	124
200	386	128
205	400	133
210	414	138
215	428	142
220	442	147
225	455	151
230	469	156
235	483	161