



# McElholm & Co Ltd

---

CHARTERED ACCOUNTANTS &  
REGISTERED AUDITORS

---

## Tax Tables 2017/18

28, Gortin Road  
Omagh  
Co. Tyrone  
BT79 7HX

**Telephone:** (028) 8224 4016  
**Facsimile:** (028) 8225 2632  
**Email:** [info@mcelholm.com](mailto:info@mcelholm.com)

<b>INCOME TAX</b>		<b>17/18</b>	<b>16/17</b>
Basic rate of 20% on income up to:	UK (excl. Scotland)	£33,500	£32,000
	Scotland	£31,500*	£32,000
Higher rate of 40% on income over:	UK (excl. Scotland)	£33,500	£32,000
	Scotland	£31,500*	£32,000
Additional rate of 45% on income over: all UK		£150,000	£150,000
Starting rate of 0% on savings income up to <sup>†</sup>		£5,000	£5,000
Savings allowance at 0% tax			
	Basic rate taxpayers	£1,000	£1,000
	Higher rate taxpayers	£500	£500
	Additional rate taxpayers	£0	£0
Dividend allowance at 0% tax – all individuals		£5,000	£5,000
Tax rate on dividend income:			
	Basic rate taxpayers	7.5%	7.5%
	Higher rate taxpayers	32.5%	32.5%
	Additional rate taxpayers	38.1%	38.1%
Trusts:	Standard rate band generally	£1,000	£1,000
	Rate applicable to trusts		
	– dividends	38.1%	38.1%
	– other income	45%	45%

\*For non-dividend, non-savings income only: otherwise UK (excl. Scotland) band applies.

†Not available if taxable non-savings income exceeds the starting rate band.

### Child Benefit Charge

1% of benefit per £100 of income between £50,000 and £60,000.

<b>Main Personal Allowances and Reliefs</b>	<b>17/18</b>	<b>16/17</b>
Personal (basic)	£11,500	£11,000
Personal reduced by £1 for every £2 of net income over	£100,000	£100,000
Marriage/civil partners' transferable allowance	£1,150	£1,100
Married couples'/civil partners' allowance at 10%*		
(if at least one born before 6/4/35)		
	– maximum	£8,445
	– minimum	£3,260
Blind person's allowance	£2,320	£2,290
Rent-a-room tax-free income	£7,500	£7,500

\*Reduced by £1 for every £2 of income over £28,000 (£27,700 for 16/17), until minimum reached.

### Non-domicile remittance basis charge after UK residence in at least:

7 of the last 9 tax years	£30,000	£30,000
12 of the last 14 tax years	£60,000	£60,000
17 of the last 20 tax years	N/A	£90,000

<b>TAX INCENTIVISED INVESTMENT</b>	<b>17/18</b>	<b>16/17</b>
<b>Individual Savings Account (ISA)</b>	£20,000	£15,240
Junior ISA and Child Trust Fund	£4,128	£4,080
Lifetime ISA	£4,000	N/A
Help to Buy ISA	£1,000 initial and	£200 per month
<b>Venture Capital Trust (VCT) at 30%</b>	£200,000	£200,000
<b>Enterprise Investment Scheme (EIS) at 30%</b>	£1,000,000	£1,000,000
EIS eligible for CGT reinvestment deferral relief	No limit	No limit
Seed enterprise investment scheme (SEIS) at 50%	£100,000	£100,000
SEIS CGT reinvestment relief	50%	50%

<b>CORPORATION TAX</b>	<b>Profits</b>	<b>Diverted Profits</b>
Year to 31/3/18	19%	25%
Year to 31/3/17	20%	25%
Corporation tax at 32.5% on outstanding loans to participants.		

## **CAR BENEFITS**

Taxable amount based on car's list price when new.

Charge varies according to CO<sub>2</sub> emissions in grams per kilometre.

<b>CO<sub>2</sub></b>	<b>Petrol</b>	<b>Diesel</b>	<b>CO<sub>2</sub></b>	<b>Petrol</b>	<b>Diesel</b>	<b>CO<sub>2</sub></b>	<b>Petrol</b>	<b>Diesel</b>
<b>g/km</b>	<b>%</b>	<b>%</b>	<b>g/km</b>	<b>%</b>	<b>%</b>	<b>g/km</b>	<b>%</b>	<b>%</b>
0-50	9	12	120-4	23	26	160-4	31	34
51-75	13	16	125-9	24	27	165-9	32	35
76-94	17	20	130-4	25	28	170-4	33	36
95-99	18	21	135-9	26	29	175-9	34	37
100-4	19	22	140-4	27	30	180-4	35	37
105-9	20	23	145-9	28	31	185-9	36	37
110-4	21	24	150-4	29	32	190 & over	37	37
115-9	22	25	155-9	30	33			

<b>Fuel Benefit – taxable amount for private use</b>	<b>17/18</b>	<b>16/17</b>
Multiply the CO <sub>2</sub> % charge used for the car benefit by	£22,600	£22,200

<b>VANS – FOR PRIVATE USE</b>	<b>17/18</b>	<b>16/17</b>
Zero emission: chargeable amount	£646	£634
Other vans: chargeable amount	£3,230	£3,170
Fuel: chargeable amount	£610	£598

## **BUSINESS TAX-FREE MILEAGE ALLOWANCE – OWN VEHICLE**

Cars first 10,000 miles	45p per mile;	thereafter 25p per mile
Qualifying passenger	5p per mile	
Motorcycles	24p per mile	Bicycles 20p per mile

## NATIONAL INSURANCE CONTRIBUTIONS

Class 1	17/18		16/17	
	Employee	Employer	Employee	Employer
NICs rate	12%	13.8%	12%	13.8%
No NICs on the first:				
Under 21/25 for apprentices	£157 pw	£866 pw	£155 pw	£827 pw
21/25 & over	£157 pw	£157 pw	£155 pw	£156 pw
NICs rate charged up to	£866 pw	No limit	£827 pw	No limit
2% NICs on earnings over	£866 pw	N/A	£827 pw	N/A
Certain married women	5.85%	13.8%	5.85%	13.8%
<b>Employment Allowance</b>	£3,000		£3,000	
Per business. Not available if a director is the sole employee.				
<b>Class 1A Employer</b>	N/A	13.8%	N/A	13.8%
<b>Self-Employed</b>				
<b>Class 2</b> Flat rate	£2.85 pw	£148.20 pa	£2.80 pw	£145.60 pa
Small profits threshold	£6,025 pa		£5,965 pa	
<b>Class 4</b> On profits:	£8,164–£45,000 pa: 9%		£8,060–£43,000 pa: 9%	
	Over £45,000 pa: 2%		Over £43,000 pa: 2%	
<b>Class 3</b> Flat rate	£14.25 pw, £741.00 pa		£14.10 pw, £733.20 pa	

## STATE PENSIONS

	17/18		16/17	
	Weekly	Annual	Weekly	Annual
Single tier*	£159.55	£8,296.60	£155.65	£8,093.80
Basic – single person <sup>†</sup>	£122.30	£6,359.60	£119.30	£6,203.60
Basic – spouse/civil partner <sup>†</sup>	£73.30	£3,811.60	£71.50	£3,718.00

\*State pension age reached after 5/4/2016 <sup>†</sup>State pension age reached before 6/4/2016

## REGISTERED PENSIONS

	17/18	16/17
Lifetime allowance	£1,000,000	£1,000,000
Annual allowance*	£40,000	£40,000
Money purchase annual allowance	£4,000	£10,000
Annual allowance charge on excess	20%–45%	20%–45%
Max. pension commencement lump sum:	25% of pension benefit value	
Lifetime allowance charge if excess drawn:	as cash 55% as income 25%	

\*Subject to 50% taper down to £10,000 if threshold income over £110,000 and adjusted income over £150,000.

## PROPERTY TRANSACTION TAXES

### Residential property value (on slices of value)

UK (excl. Scotland)	%	Scotland: Land & Buildings Transaction Tax (LBTT)	%
Stamp Duty Land Tax (SDLT)			
Up to £125,000	0	Up to £145,000	0
£125,001–£250,000	2	£145,001–£250,000	2
£250,001–£925,000	5	£250,001–£325,000	5
£925,001–£1,500,000	10	£325,001–£750,000	10
Over £1,500,000	12	Over £750,000	12

**Second properties** over £40,000 – add 3% to SDLT/LBTT

**UK properties bought** by companies etc over £500,000 – 15% on total

### Commercial property value (on slices of value)

UK (excl. Scotland) SDLT	%	Scotland: LBTT	%
Up to £150,000	0	Up to £150,000	0
£150,001–£250,000	2	£150,001–£350,000	3
Over £250,000	5	Over £350,000	4.5

**Stamp Duty & SDRT:** Stocks and marketable securities 0.5%

No charge to stamp duty unless the duty exceeds £5.

## INHERITANCE TAX

	17/18	16/17
Nil-rate band*	£325,000	£325,000
Residence nil-rate band*	£100,000†	N/A
Rate of tax on excess	40%	40%
Rate if at least 10% of net estate left to charity	36%	36%
Lifetime transfers to and from certain trusts	20%	20%
Overseas domiciled spouse/civil partner exemption	£325,000	£325,000
100% relief: businesses, unlisted/AIM companies, certain farmland/buildings.		
50% relief: certain other business assets e.g. farmland let pre 1/9/95.		

\*Up to 100% of the unused portion of a deceased spouse's/civil partner's nil-rate band can be claimed on the survivor's death.

†Subject to 50% taper relief for estates above £2,000,000.

## CAPITAL GAINS TAX

	17/18	16/17
<b>Individuals</b> Up to basic limit (UK excl. Scotland)	10%	10%
Above basic limit (UK excl. Scotland)	20%	20%
<b>Trusts and Estates</b>	20%	20%
<b>Surcharge</b> for residential property and carried interest	8%	8%
<b>Exemptions</b> Individuals, estates, etc	£11,300	£11,100
Trusts generally	£5,650	£5,550
Chattels (gain restricted to 5/3rds of proceeds over limit).	£6,000	£6,000
<b>Entrepreneurs' Relief</b> 10% on lifetime limit of	£10,000,000	£10,000,000
For trading businesses and companies (minimum 5% employee/officer shareholding) held for at least one year.		

---

## MAIN CAPITAL AND OTHER ALLOWANCES

Plant & machinery 100% annual investment allowance (1st year):	£200,000
Enterprise zone plant & machinery (max €125m per investment project)	100%
Plant & machinery (annual reducing balance)	18%
Patent rights & know-how (annual reducing balance)	25%
Certain long-life assets and integral features of buildings (annual reducing balance)	8%
Energy and water-efficient equipment	100%
Electric vans	100%

### Motor Cars

CO <sub>2</sub> emissions of g/km:	75 or less*	76–130	131 or more
Capital allowance	100% first year	18% pat	8% pat

\* For new cars only. † Reducing balance.

<b>Research &amp; Development</b> Capital expenditure	100%
Revenue expenditure relief – small/medium-sized companies	230%
Research and development expenditure credit – large companies	11%

---

## VALUE ADDED TAX

Standard rate	20%	Reduced rate eg on domestic fuel	5%
Registration level from 1/4/17			£85,000
Deregistration level from 1/4/17			£83,000
Flat rate scheme turnover limit			£150,000
Cash and annual accounting schemes turnover limits			£1,350,000

---

## MAIN DUE DATES FOR TAX PAYMENT

### Income Tax, NIC and Capital Gains Tax – Self-assessment

31 January in tax year	}	• Normally 50% of previous year's income tax, (less tax deducted at source) and class 4 NIC
Following 31 July		
Following 31 January		• Balance of income tax and class 4 NIC, and all CGT and class 2 NIC

<b>Inheritance Tax</b> On death:	normally 6 months after month of death
Lifetime transfer 6 April–30 September:	30 April in following year
Lifetime transfer 1 October–5 April:	6 months after month of transfer
<b>Corporation Tax</b> Self-assessment:	9 months and 1 day after end of accounting period

- Payable by instalments where profits are £1.5m or over. Normally payable in 7th, 10th, 13th and 16th months after start of accounting period.
- Growing companies: no instalments where profits are £10m or less and the company was not a large company for the previous year.