

CORPORATION TAX	to 31.3.13	to 31.3.12
Small companies rate (£0 - £300,000)	20%	20%
£300,001 - £1,500,000	Marginal relief	Marginal relief
Full rate (£1,500,001+)	24%*	26%

\* Reducing to 23% from 1 April 2013, and 22% from 1 April 2014.

#### CORPORATION TAX PAYMENTS

- **Small companies:** tax due 9 months and 1 day after end of accounting period.
- **Large companies:** tax due in quarterly instalments from 6 months and 13 days after start of accounting period.

CAPITAL ALLOWANCES	2012-2013	2011-2012
<b>Plant and Machinery</b>		
Annual investment allowance:		
Rate	100%	100%
Limit	£25,000	£100,000
Writing down allowance:		
General	18%	20%
Integral features/thermal insulation	8%	10%
Long life assets	8%	10%
Energy saving plant and machinery	100%	100%

Motor cars (new cars only):	2012-2013	2011-2012
CO <sub>2</sub> emissions up to 110g/km	100%	100%
CO <sub>2</sub> emissions 111g/km to 160g/km	18%	20%
CO <sub>2</sub> emissions above 160g/km	8%	10%

VAT	2012-2013	2011-2012
Standard rate		20%
Registration level	from 1.4.12 £77,000	until 31.3.12 £73,000
De-registration limit	from 1.4.12 £75,000	until 31.3.12 £71,000

#### STAMP DUTY LAND TAX

On documents transferring residential property:	2012-2013	2011-2012
Value up to £125,000		Nil
£125,001 - £250,000		1%
£250,001 - £500,000		3%
£500,001 - £1,000,000		4%
£1,000,001 - £2,000,000		5%
£2,000,001+		7%*

\* From 22 March 2012.

#### Anti-avoidance measure

With effect from 21 March 2012, a 15% rate could apply where residential property worth over £2,000,000 is purchased via a corporate entity, partnership or collective investment scheme.

## Important dates

### SELF-ASSESSMENT

#### 31 July 2012

Second interim payment of income tax due for 2011-12, where required.

#### 31 October 2012

Deadline for submission of 2011-12 paper tax returns.

#### 31 January 2013

Deadline for submission of 2011-12 tax returns where submitted online. Balancing payment of income tax and capital gains tax due for 2011-12. First interim payment of income tax due for 2012-13, where required.

#### 31 July 2013

Second interim payment of income tax due for 2012-13, where required.

### LATE FILING PENALTIES

#### 2011-12 tax return\*

One day late - 1 February 2013 £100

Three months late - 1 May 2013  
- £10 a day, maximum £900 £900

Six months late - 1 August 2013  
- the greater of £300 or 5% of tax due £300

Twelve months late - 1 February 2014  
- the greater of £300 or 5% of tax due\*\* £300

Minimum penalty where twelve months late £1,600

\* Dates relate to tax returns filed online. For paper tax returns relevant dates are three months earlier.  
\*\* Should HMRC deem the failure to be serious the penalty can be increased to 100% of the tax outstanding.

### LATE PAYMENT PENALTIES

#### 2011-12 tax liabilities outstanding at:

3 March 2013	5% of tax owed
1 August 2013	5% of tax owed
1 February 2014	5% of tax owed

## Tax advisory service

Our tax, trust and estate planning specialists offer a range of services to Coutts clients, from preparing clients' tax returns and tax-efficient wills, to more in-depth advice such as complex tax and estate planning including setting trusts. To find out more about these services, please ask your private banker.

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## 2012-2013 Tax Rates & Allowances

Compiled by Coutts Private Client Tax Team

### HIGHLIGHTS

- Income Tax** - Top rate of tax to reduce to 45% from April 2013.
- Corporation Tax** - Full rate reduced to 24% from April 2012.
- Stamp Duty Land Tax** - 7% charge on residential property over £2m purchased by individuals on or after 22 March 2012.
- Inheritance Tax** - Rate reduced to 36% for estates leaving 10% to charity.

INCOME TAX	2012-2013	2011-2012
10% starting rate for savings*	£2,710	£2,560
20% on first/next	£34,370	£35,000
40% on income over	£34,370	£35,000
50% on income over	£150,000	£150,000
Dividends for basic rate taxpayers	10%	10%
Dividends for higher rate taxpayers up to £150,000	32.5%	32.5%
Dividends for income over £150,000	42.5%	42.5%
Trusts within relevant property regime**	50%	50%
Dividends for trusts within relevant property regime	42.5%	42.5%

\* Restricted to savings income and not available if non-savings income exceeds starting rate limit.  
\*\* A standard rate band of £1,000 applies, below this level income will be taxed at no more than 20%.

MAIN INCOME TAX RELIEFS	2012-2013	2011-2012
Personal allowance (for income up to £100,000)*	£8,105	£7,475
Personal allowance (age 65-74)**	£10,500	£9,940
Personal allowance (age 75 and over)**	£10,660	£10,090
Married couple's allowance (born before 6.4.35)***	£7,705	£7,295
Income limit for age-related allowances	£25,400	£24,000
Blind person's allowance	£2,100	£1,980
Enterprise Investment Scheme at 30%****	£1,000,000	£500,000
Seed Enterprise Investment Scheme at 50%****	£100,000	-
Venture Capital Trust at 30%	£200,000	£200,000
Rent-a-room tax-free income	£4,250	£4,250

\* The allowance is reduced by £1 for every £2 income above £100,000 irrespective of age.  
\*\* The allowance is reduced by £1 for every £2 income above the limit subject to a minimum allowance of £8,105 unless income exceeds £100,000.  
\*\*\* The allowance may be reduced subject to income levels (minimum allowance of £2,960 for 2012-13). Relief given at 10%.  
\*\*\*\* Capital gains tax reliefs are also available.

CAPITAL GAINS TAX	2012-2013	2011-2012
Individuals/Trusts	28%*	28%*
Entrepreneurs' Relief effective rate	10%	10%

\* Remains at 18% for basic rate individuals.

Annual Exemptions	2012-2013	2011-2012
Individuals and personal representatives	£10,600	£10,600
Trusts generally	£5,300	£5,300
Chattels exemption	£6,000	£6,000
Entrepreneurs' Relief lifetime limit of gains	£10,000,000	£10,000,000

INDIVIDUAL SAVINGS ACCOUNTS (ISAs)	2012-2013	2011-2012
Maximum subscription	£11,280	£10,680
of which maximum investments are:		
Stocks and shares account	£11,280	£10,680
Cash account	£5,640	£5,340
Junior ISA	£3,600	£3,600

INHERITANCE TAX	2012-2013	2011-2012
<b>Personal Relief</b>		
Free of tax up to	£325,000*	£325,000
Tax on excess	40%**	40%
Transfers to certain trusts	20%	20%
Overseas domiciled spouse exemption	£55,000	£55,000
Annual gifts exemption	£3,000	£3,000
Gifts to charities	Exempt	Exempt
Small gifts to same person	£250	£250
Marriage/civil partnership gifts by:		
- Parent	£5,000	£5,000
- Grandparent/party to marriage/civil partnership	£2,500	£2,500
- Other person	£1,000	£1,000

\* Frozen at this level until 2014-15.  
\*\* From 6 April 2012, a reduced rate of 36% applies where 10% or more of a net chargeable estate is left to charity.

Business Property Relief	2012-2013	2011-2012
A business or interest in a business (including a partnership share)	100%	100%
Transfers of unquoted shareholdings (including AIM shares)	100%	100%
Transfers out of a controlling shareholding in quoted companies, land or buildings, machinery or plant used in qualifying company or partnership	50%	50%

Reduced tax charge on gifts made within the seven years before death	2012-2013	2011-2012
Years before death	0-3	3-4
	4-5	5-6
	6-7	6-7
% of inheritance tax payable	100%	80%
	60%	40%
	20%	20%

### INHERITANCE TAX PAYMENTS

- **On death:** 6 months after end of month of death.
- **Lifetime transfer 6 April - 30 Sept:** 30 April in following year.
- **Lifetime transfer 1 Oct - 5 April:** 6 months after end of month of transfer.

### COMPANY CAR BENEFITS

- Taxable benefit is a percentage of the full list price less any capital contribution made by the employee.
- For cars with no CO<sub>2</sub> emissions no benefit is charged.
- For cars with CO<sub>2</sub> emissions of up to 75g/km the benefit is 5%.
- For cars with CO<sub>2</sub> emissions of 76-99g/km the benefit is 10%.
- For cars with CO<sub>2</sub> emissions of 100g/km the benefit is 11%.
- Taxable benefit is increased by 1% for every 5g/km over 100g/km subject to a maximum of 35% (at or above 220g/km).
- A 3% surcharge applies to diesel-powered cars (excluding diesel hybrids) subject to a maximum of 35%.
- Fuel benefit scale charge applies where employer provides private fuel (£20,200 multiplied by car benefit percentage).

PENSIONS	2012-2013	2011-2012
<b>Pension Savings</b>		
Lifetime allowance	£1,500,000	£1,800,000
Annual allowance*	£50,000**	£50,000**

\* Income tax relief available on higher of £3,600 or relevant earnings, subject to annual allowance limit.  
\*\* Potential to carry forward unused relief of up to £50,000 per year from the previous three years.

Basic State Pension	2012-2013	2011-2012
Single person per year	£5,587.40	£5,311.80
Spouse/civil partner addition per year	£3,348.80	£3,182.40
Married couple/civil partnership total per year	£8,936.20	£8,494.20

### NATIONAL INSURANCE CONTRIBUTIONS

Class 1 - Employment	2012-2013	2011-2012
Lower earnings limit (LEL) weekly	£107	£102
Upper earnings limit (UEL) weekly	£817	£817
Primary threshold (PT) weekly	£146	£139
Secondary threshold (ST) weekly	£144	£136

Employee contributions:	2012-2013	2011-2012
- on earnings between PT and UEL	12%	12%
- on earnings above UEL	2%	2%

Employee contracted-out rebate:	2012-2013	2011-2012
- salary related	1.4%	1.6%
- money purchase	-	1.6%

Married woman's reduced rate: (subject to valid election)	2012-2013	2011-2012
- on earnings between PT and UEL	5.85%	5.85%
- on earnings above UEL	2%	2%

Employer contributions:	2012-2013	2011-2012
- on earnings above ST	13.8%	13.8%

Employer contracted-out rebate:	2012-2013	2011-2012
- salary related	3.4%	3.7%
- money purchase	-	1.4%

Class 2 - Self Employment	2012-2013	2011-2012
Weekly rate	£2.65	£2.50
Small earnings exception limit	£5,595	£5,315

Class 3 - Voluntary	2012-2013	2011-2012
Weekly rate	£13.25	£12.60

Class 4 - Self Employment	2012-2013	2011-2012
Lower profits limit (LPL) annual	£7,605	£7,225
Upper profits limit (UPL) annual	£42,475	£42,475

Contributions:	2012-2013	2011-2012
- on earnings between LPL and UPL	9%	9%
- on earnings above UPL	2%	2%