CORPORATION TAX

	to 31.3.10	to 31.3.09
Small companies rate (£0-£300,000)	21%*	21%
£300,001-£1,500,000	Marginal relief	Marginal relief
Full rate (£1,500,001+)	28%	28%

* *Rising to 22% in 2010-11.*

MAIN CAPITAL ALLOWANCES

Plant and Machinery	2009-2010	2008-2009
Writing down allowance	20% pa	20% pa
Long life assets / integral features / thermal insulation	10% pa	10% pa
Annual Investment Allowance (AIA) for first £50,000 of expenditure.	100%	100%
First year allowance for expenditure in excess of AIA cap (not long life assets / integral features / thermal insulation).	40%	-

Motor Cars

- From 1 April 2008 cars with up to 110 g/km of CO_2 emissions attract a 100% allowance.
- For other cars for 2008-09, a writing down allowance is available of 20% pa subject to a maximum of £3,000.
- From 2009-10 the annual allowances are dependent on the CO_2 emissions of the car:
  - for cars with CO_2 emissions between 110 and 160 g/km the annual allowance is 20%
  - for cars with CO_2 emissions over 160 g/km the annual allowance is 10%, calculated in a special pool.

Industrial and Agricultural Buildings*	2009-2010	2008-2009
Writing down allowance (straight line)	2% pa	3% pa

* *The allowance reduces to 1% for 2010-11 and is no longer available for 2011-12 onwards.*

VALUE ADDED TAX

Standard Rate				15%*
Registration level	from 1.5.09	£68,000	to 30.4.09	£67,000
De-registration limit	from 1.5.09	£66,000	to 30.4.09	£65,000

* *15% applies from 1 December 2008. From 1 January 2010 the rate reverts back to 17.5%.*

STAMP DUTY LAND TAX

	from	to
On documents transferring residential property	1.1.10	31.12.09
Value under £125,000	Nil	Nil
£125,001 - £175,000	1%	Nil
£175,001 - £250,000	1%	1%
£250,001 - £500,000	3%	3%
£500,001+	4%	4%

Important dates

SELF-ASSESSMENT

31 July 2009
Second interim payment of income tax due for 2008-09, where required.
Second 5% surcharge on unpaid 2007-08 tax.

31 October 2009
Deadline for submission of 2008-09 paper tax returns.

31 January 2010
Deadline for submission of 2008-09 tax returns where submitted on-line.
Taxpayer sends balancing payment required of 2008-09 liability to income tax and capital gains tax.
First interim payment of income tax due for 2009-10, where required.
Deadline for HM Revenue & Customs to call for documents supporting 2007-08 tax return, if return submitted by 31 January 2009.

28 February 2010
5% surcharge on unpaid 2008-09 tax.

31 July 2010
Second interim payment of income tax due for 2009-10, where required.
Second 5% surcharge on unpaid 2008-09 tax.

31 October 2010
Deadline for submission of 2009-10 paper tax returns.

31 January 2011
Deadline for submission of 2009-10 tax returns where submitted on-line.
Latest deadline for HM Revenue & Customs to call for documents supporting 2008-09 tax return, if return submitted by 31 January 2010.

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.

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.

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COU90079 (04/09)

2009-2010 Tax Rates & Allowances

Compiled by Coutts Tax Department

HIGHLIGHTS

Income Tax - top rate will rise to 50% for individuals with taxable income over £150,000 from 2010-11.

Pensions - tax relief on pension contributions cut for those with income of £150,000 or more from 2011-12.

ISAs - maximum annual subscription increased to £10,200 from current tax year for individuals aged 50 and over and for all others from 2010-11.

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INCOME TAX RATES

	2009-2010	2008-2009
10% starting rate for savings*	£2,440	£2,320
20% on first/next	£37,400	£34,800
40% on income over	£37,400	£34,800
Dividends for basic rate taxpayers	10%	10%
Dividends for higher rate taxpayers	32.5%	32.5%
Trusts within relevant property regime**	40%	40%
Dividends for trusts within relevant property regime	32.5%	32.5%

* *Restricted to savings income and not available if non-savings income exceeds starting rate limit.*
***From April 2006, a standard rate band of £1,000 applies, below this level income will be taxed at no more than 20%.*

MAIN INCOME TAX RELIEFS

	2009-2010	2008-2009
Personal allowance *(basic)*	£6,475	£6,035
Personal allowance *(age 65-74)*	£9,490	£9,030
Personal allowance *(age 75 and over)*	£9,640	£9,180
Married couple's allowance *(where born before 6.4.35)**	n/a	£6,535
Married couple's allowance *(age 75 and over)**	£6,965	£6,625
Income limit for age-related allowances	£22,900	£21,800
Blind person's allowance	£1,890	£1,800
Enterprise Investment Scheme at 20%**	£500,000	£500,000
Venture Capital Trust at 30%	£200,000	£200,000
Rent-a-room tax-free income	£4,250	£4,250

* *Allowances where relief is restricted to 10%.*
***Capital gains tax deferral relief also available.*

CAPITAL GAINS TAX

	2009-2010	2008-2009
Individuals/Trusts*	18%	18%
Annual Exemptions		
Individuals and personal representatives	£10,100	£9,600
Trusts generally	£5,050	£4,800
Chattels exemption *(5/3 taxable on excess)*	£6,000	£6,000

* *Indexation and taper relief no longer available for disposals by individuals and trusts after 5.4.08.*

Entrepreneurs' Relief - from 6.4.08 the first £1 million of gains on certain types of assets will be charged to CGT at an effective rate of 10%. This is a lifetime limit.

INDIVIDUAL SAVINGS ACCOUNT (ISA)	2009-2010	2010-2011
Maximum subscription*	£7,200	£10,200
of which maximum investments are:		
Stocks and shares account	£7,200	£10,200
Cash account	£3,600	£5,100

* *For individuals aged over 50 the 2010-11 increased subscription applies from 6 October 2009.*

INHERITANCE TAX

Personal Relief	2009-2010	2008-2009
Free of tax up to*	£325,000	£312,000
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

* *From 9.10.07 a claim may be made for deceased spouse/civil partner's unused nil rate band.*

Business Property Relief		
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

Years before death	0-3	3-4	4-5	5-6	6-7
% of inheritance tax payable	100%	80%	60%	40%	20%

CAR/FUEL BENEFIT

- Taxable benefit for cars is based on a maximum 35% of list price, reduced according to the car's level of CO_2 emissions.
- Minimum benefit is 10% of list price where CO_2 emissions do not exceed 120 g/km for 2008-09 and 2009-10.
- Benefit is 15% of list price for cars with emissions of 135 g/km or less for 2008-09 and 2009-10 (to be reduced to 130 g/km from 2010-11).
- Minimum will increase by 1% for each 5 g/km of extra CO_2 emissions, subject to a maximum of 35% of list price.
- Diesel cars subject to an extra 3% charge (maximum of 35%).
- Where free fuel for private use is provided, tax charge on fuel is calculated according to scale rate charge as above, applied to a standard figure of £16,900 for 2008-09 onwards.
- Further discounts can apply to car and fuel benefit for energy efficient cars.

Approved mileage allowance payments	2009-2010	2008-2009
Own cars and vans		
Up to 10,000 miles (per mile)	40p	40p
Over 10,000 miles (per mile)	25p	25p

PERSONAL PENSIONS

Annual Allowance*

2008-09	2009-10	2010-11
£235,000	£245,000	£255,000

* *An individual can contribute the lower of the allowance or relevant income. An individual without relevant income can contribute up to £3,600.*

Possible restriction from 22 April 2009 for individuals with income of £150,000 or more who alter their pattern of pension contributions.

Lifetime Allowance

2008-09	2009-10	2010-11
£1.65m	£1.75m	£1.8m

BASIC STATE PENSION

	2009-2010	2008-2009
Single person per year	£4,953.00	£4,716.40
Dependant's addition per year	£2,966.60	£2,826.20
Married couple total per year	£7,919.60	£7,542.60

NATIONAL INSURANCE CONTRIBUTIONS

	2009-2010 Earnings pw		2008-2009 Earnings pw	
Employees Class 1 NIC				
Earnings at or above lower limit				
Standard rate	0% up to £110		0% up to £105	
Contracted in	11% on £110.01-£844		11% on £105.01-£770	
Contracted out	9.4% on £110.01-£844		9.4% on £105.01-£770	
Contracted in and out	1% over £844		1% over £770	
Employers Class 1 NIC				
Contracted in				
Below £110/£105	Nil		Nil	
Over £110/£105	12.8%		12.8%	
*Contracted out**	SR	MP	SR	MP
Below £110/£105	Nil	Nil	Nil	Nil
Over £110/£105	9.1%	11.4%	9.1%	11.4%
Over £844/£770	12.8%	12.8%	12.8%	12.8%
Class 2 - Self-employed rate	£2.40 pw		£2.30 pw	
Small earnings exception	£5,075 pa		£4,825 pa	
Class 3 - Voluntary rate	£12.05 pw		£8.10 pw	
Class 4 - Self-employed rate	8%		8%	
Lower limit of earnings	£5,715 pa		£5,435 pa	
Upper limit of earnings	£43,875 pa		£40,040 pa	
1% on earnings over	£43,875 pa		£40,040 pa	

* *SR = Salary related scheme MP = Money purchase scheme*