

**V.G. Woodhouse & Co. Chartered Certified Accountants**

in Ealing in Hayes

**Budget tax rates 2015; budget 18th March 2015**

<b>Following the Chancellor, George Osborne's,</b> • Many rates were announced for the following year • Subject to the 2016 Finance Bill. • Some for the current year 2015/16; 6th April 2015 to 5th April 2016, • Subject to the 2015 Finance Bill and • Some having immediate effect from 8th July 2015.	<b>2014/15</b>	<b>2015/16</b>	<b>8th July 2015:</b> 6 to 5th April 2017,

	6th April 2014 to 5th April 2015	6th April 2015 to 5th April 2016
	<a href="#">Employers - All Rates and thresholds</a>	<a href="#">Employers - All Rates and thresholds</a>
	£	£
<b>Income tax rates - (non-dividend income)</b>		
10% lower rate tax - savings rate only	Up to 2,880	Up to 5,000
20% basic rate tax	Up to 31,865	Up to 31,785
40% higher rate tax	31,866 - 150,000	31,786 - 150,000
45% additional rate tax	Above £150,000	Above £150,000
<b><i>From 2008-09 10% starting rate applies to savings income only and will not apply if non-savings income exceeds threshold.</i></b>		
<b>Income tax rates - (dividend income)</b>		
10% rate	Up to 31,865	Up to 31,785
32.5% higher dividend rate	31,866 - 150,000	31,786 - 150,000
37.5% additional dividend rate	Above £150,000	Above £150,000
<b>Personal allowances</b>		

Personal allowance those born after 5 April 1948	10,000	10,600
Personal allowance those born between 6 April 1938 and 5 April 1948	10,500	10,600
Personal allowance those born before 6 April 1938	10,660	10,660
Married couple's allowance those born before 6 April 1935	8,165	8,355
Married couple's allowance – minimum amount	3,140	3,220
Income limit for under 65 personal allowance	100,000	100,000
Abatement of personal allowance on the basis of £1 allowance per additional £2 of income; dividend and non dividend - no personal allowance after:	120,000	121,200
Income limit for personal allowances (born before 6 April 1948)	27,000	27,700
Blind person's allowance	2,230	2,290
Rent-a-room relief	4,250	4,250
Transferable tax allowance for married couples and civil partners	N/A	1,060
<b><i>Abatement of personal allowance will apply of £1 for every £2 of taxable income in excess of income limit.</i></b>		

	2014/15	2015/16
	£	£
<b>National insurance</b>		
Lower earnings limit, primary Class 1 (per week)	111	112
Upper earnings limit, primary Class 1 (per week)	805	815

Upper accrual point	770	770
Primary employee's threshold (per week)		
	<b>2014/15</b>	<b>2015/16</b>
Secondary employer's threshold (per week) diverges from Primary employee's threshold 2015/16	153	156
Primary employee's threshold (per year) - maximum tax and national insurance free pay - NI cumulative basis for directors only	7,956	8,060
Employment allowance (per year per employer) - Connected employers count as one employer	2,000	2,000
Employee's primary Class 1 rate between primary threshold and upper earnings limit	12%	12%
Employee's primary Class 1 rate above upper earnings limit	2.00%	2.00%
Employee's contracted-out rebate - salary-related scheme	1.40%	1.40%
Married woman's reduced rate between primary threshold and upper earnings limit	5.85%	5.85%
Married woman's rate above upper earnings limit	2.00%	2.00%
Employer's secondary Class 1 rate above secondary threshold	13.80%	13.80%
Employer's secondary Class 1 rate above secondary threshold (contracted out)	10.40%	10.40%
Employer's contracted-out rebate, salary-related schemes (between LEL and UAP)	3.40%	3.40%
Class 2 rate (per week)	2.75	2.80
Class 2 small earning exception (per year)	5,885	5,965
Special Class 2 rate for share fishermen (per week)	3.40	3.45

Special Class 2 rate for volunteer development workers	5.55	5.60
Class 3 rate (per week)	<b>2014/15</b>	<b>2015/16</b>
Class 4 lower profits limit	7,956	8,060
Class 4 upper profits limit	41,865	42,385
Class 4 rate between lower profits limit and upper profits limit	9.00%	9.00%
Class 4 rate above upper profits limit	2.00%	2.00%
From 6 April 2015 there will be no employer's liability to NIC for employees under 21.		
<b>Pensions contributions</b>		
Annual allowance	40,000	40,000
Lifetime allowance	1.25m	1.25m
<b>Reliefs and incentives</b>		
Enterprise Investment Scheme (EIS) - maximum	1m	1m
Venture Capital Trust (VCT) - maximum	200,000	200,000
Enterprise Management Incentive Scheme (EMI) - employee limit	240,000	240,000
Seed Enterprise Investment Scheme (SEIS)	100,000	100,000
Income tax relief on EIS schemes	30%	30%
Income tax relief on VCT schemes	30%	30%
Income tax relief on SEIS schemes	50%	50%
	<b>2014/15</b>	<b>2015/16</b>
	<b>£</b>	<b>£</b>

<b>Individual Savings Account (ISA):</b>			
New ISA (NISA) limits			
		<b>2014/15</b>	<b>2015/16</b>
New ISA (NISA) annual limit		15,000	15,240
New Junior ISA investment annual limit		4,000	4,080
New child value of Child Trust Fund annual limit		4,000	4,080
<b>Capital gains tax</b>			
Rate	- basic rate tax payer	18%	18%
	- higher rate tax payer	28%	28%
Individuals		11,000	11,100
Certain trusts for disabled persons		11,000	11,100
Other trusts		5,500	5,550
Entrepreneurs Relief lifetime limit		10mil	10mil
Entrepreneurs Rate		10%	10%
Chattels exemption (5/3 taxable on excess)		6,000	6,000
<b>Working and Child tax credits rates</b>			
<b>Working tax credit</b>			
Basic element		1,940	1,960
Couple and lone parent element		1,990	2,010
30 hour element		800	810
Disabled worker element		2,935	2,970
Severe disability element		1,255	1,275
<b>Childcare element of the Working tax credit</b>			

Maximum eligible cost for one child (per week)	175	175
Maximum eligible cost for two or more children (per week)	<b>2014/15</b>	<b>2015/16</b>
Percentage of eligible costs covered	70.00%	70.00%
<b>Child tax credit</b>		
Family element	545	545
Child element	2,750	2,780
Disabled child element	3,100	3,140
Severely disabled child element	1,255	1,275
<b>Income threshold and withdrawal rates</b>		
First income threshold	6,420	6,420
First withdrawal rate	41.00%	41.00%
First threshold for those entitled to Child tax credit only	16,010	16,105
Income disregard	5,000	5,000
Income fall disregard	2,500	2,500
<b>Child benefit/Guardian's allowance rates</b>		
Eldest/only child	20.50	20.70
Other children	13.55	13.70
Guardian's allowance	16.35	16.55
<p><b><i>An income tax charge will apply to taxpayers with income exceeding £50,000 in a tax year, when child benefit is also received by them or their partner. The charge will reduce the financial benefit of receiving child benefit for those with income between £50,000 and £60,000 and remove it completely for taxpayers with income above £60,000.</i></b></p>		
	<b>2014/15</b>	<b>2015/16</b>

	2014/15	2015/16
	2014/15	2015/16
<b>Stamp duty land tax (SDLT) Property purchases in England, Wales and Northern Ireland</b>		
Band		Rate incremental
0% residential		£1- £125 (000)
2% residential		£125,001- £250,000
5% residential		£250,001- £925,000
10% residential		£925,001- £1.5m
12% residential		Above £1.5 million
* 15% Higher Stamp Duty Rate For Companies Buying Residential Properties		Above £500,000
0% non-residential and mixed-use properties		£1 to £150,000
1% non-residential and mixed-use properties		£150,001- 250,000
3% non-residential and mixed-use properties		£250,001- £500,000
4% non-residential and mixed-use properties		Above £500,000
<b>Stamp duty land tax (SDLT) Property purchases in Scotland</b>		
Band		Rate incremental
0% residential		£1- £135 (000)

2% residential		£135,001- £250,000
10% residential	<b>2014/15</b>	<b>2015/16</b> £1m
12% residential		Above £1m
* 15% Higher Stamp Duty Rate For Companies Buying Residential Properties		Above £500,000
0% non-residential and mixed-use properties		£1 - £150,000
3% non-residential and mixed-use properties		£150,000 - £350,000
4.5% non-residential and mixed-use properties		Above £350,000
Leases 1% on present value of rents above £150,000		
<b>* From 20 March 2014 residential property purchased by non-natural persons for consideration exceeding £500,000 will be subject to SDLT at 15%</b>		
<b>Annual Tax on Enveloped Dwellings (ATED)</b>		
More than £1m but not more than £2m	n/a	£7,000
More than £2m but not more than £5m	£15,400	£23,350
More than £5m but not more than £10m	£35,900	£54,450
More than £10m but not more than £20m	£71,850	£109,050
More than £20m	£143,750	£218,200

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**Contact: V.G. Woodhouse & Co. about tax planning and tax computations**

- **Budget tax rates:**
- [Income tax rates](#)
- [Income tax rates dividend](#)



- [Personal allowances](#)
- [National insurance](#)
- [Pensions contributions](#)

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- [Stamp duty land tax Scotland](#)
- [Annual Tax on Enveloped Dwellings \(ATED\)](#)

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**2014/15**

**2015/16**