

MAIN DUE DATES FOR TAX PAYMENTS

Income Tax, NIC and Capital Gains Tax – Self-Assessment

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

Inheritance Tax

- 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

IMPORTANT INFORMATION

This document is for investment professionals only and should not be relied upon by private investors.

This document provides information and is only intended to provide an overview of the current law in this area and does not constitute financial advice, tax advice or legal advice, or provide any recommendations.

This information regarding taxation represents a summary of our understanding of the law at the date of its last review (March 2018). Tax limits, benefits, allowances and rules are often subject to change and may change in future. Advisers and individuals should check that tax limits, allowances and rules have not changed. The value of benefits depends on individual circumstances.

Different options may have different effects for tax purposes, different implications for pension provision and different impacts on other assets and financial planning.

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Source: Fidelity International
as at 31 March 2018

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Tax tables

2018/19

FundsNetwork™

INCOME TAX

UK excluding Scottish taxpayers' non-savings income	18/19	17/18
20% basic rate on income up to	£34,500	£33,500
40% higher rate on income over	£34,500	£33,500
45% additional rate on income over	£150,000	£150,000

All UK taxpayers

Starting rate up to savings income up to*	£5,000	£5,000
Savings allowance at 0% tax: Basic-rate taxpayer	£1,000	£1,000
Higher-rate taxpayer	£500	£500
Additional-rate taxpayer	£0	£0
Dividend allowance at 0% tax – all individuals	£2,000	£5,000
Tax rates on dividend income: Basic rate	7.5%	7.5%
Higher rate	32.5%	32.5%
Additional rate	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%

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

Scottish taxpayers – non-dividend, non-savings income

19% (18/19 only) starter rate on income up to	£2,000	N/A
20% basic rate on slice of income up to	£12,150	£31,500
21% (18/19 only) intermediate rate on next slice up to	£31,580	N/A
41% (40% 17/18) higher rate on next slice up to	£150,000	£150,000
46% (45% additional rate 17/18) top rate on income over	£150,000	£150,000

High Income Child Benefit charge

1% of benefit per £100 of adjusted net income of £50,000 – £60,000

Main personal allowances and reliefs

	18/19	17/18
Personal allowance*	£11,850	£11,500
Marriage/Civil partner's transferable allowance	£1,190	£1,150
Married couple's/Civil partner's allowance at 10%† (if at least one born before 6/4/35) – maximum	£8,695	£8,445
– minimum	£3,360	£3,260
Blind person's allowance	£2,390	£2,320
Rent-a-room relief	£7,500	£7,500
Property allowance and trading allowance (each)	£1,000	£1,000

* Personal allowance reduced by £1 for every £2 of adjusted net income over £100,000

† Married couple's allowance reduced by £1 for every £2 of adjusted net income over £28,900 (£28,000 for 17/18), 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

REGISTERED PENSIONS

	18/19	17/18
Lifetime allowance	£1,030,000	£1,000,000
Money purchase annual allowance	£4,000	£4,000
Annual allowance*	£40,000	£40,000
Annual allowance charge on excess	applicable tax rate(s) on earnings	
Lifetime allowance charge if excess is drawn	as cash 55%; as income 25%	
Max. pension commencement lump sum	25% of pension benefit value	

* Subject to 50% taper down as low as £10,000 if threshold income is over £110,000 and adjusted income is over £150,000. The maximum reduction is £30,000 and minimum allowance is £10,000.

STATE PENSIONS

	Weekly	Annual
Single-tier pension – where state pension age reached after 5/4/16	£164.35	£8,546.20
Basic pension – single person*	£125.95	£6,549.40
Basic pension – spouse/civil partner*	£75.50	£3,926.00

*State pension age reached before 6/4/16

TAX INCENTIVISED INVESTMENT

	18/19	17/18
Individual Savings Account (ISA)	£20,000	£20,000
Lifetime ISA	£4,000	£4,000
Help to Buy ISA	£1,000 initial and £200 per month	
Junior ISA and Child Trust Fund	£4,260	£4,128
Venture Capital Trust (VCT) at 30%	£200,000	£200,000
Enterprise Investment Scheme (EIS) at 30%	£2,000,000*	£1,000,000
EIS eligible for CGT deferral relief	No limit	No limit
Seed EIS (SEIS) at 50%	£100,000	£100,000
SEIS CGT reinvestment relief	50%	50%

*Above £1,000,000 must be in knowledge-intensive companies

NATIONAL INSURANCE CONTRIBUTIONS

Class 1	Employee	Employer
NIC rate	12%	13.8%
No NICs for employees generally on the first	£162 pw	£162 pw
No NICs for younger employees* on the first	£162 pw	£892 pw
NICs rate charged up to	£892 pw	No limit
2% NICs on earnings over	£892 pw	N/A
Certain married women	5.85%	13.8%

Employment Allowance

Per business – not available if sole employee is a director

£3,000

Limits and Thresholds

	Weekly	Monthly	Annual
Lower earnings limit	£116	£503	£6,032
Primary threshold	£162	£702	£8,424
Secondary threshold	£162	£702	£8,424
Upper earnings limit (and upper secondary thresholds*)	£892	£3,863	£46,350

* Employees generally under 21 years and apprentices under 25 years

Class 1A Employer On car and fuel benefits and most other taxable benefits provided to employees and directors

13.8%

Self-Employed Class 2 Flat rate

£2.95 pw

£153.40 pa

Self-Employed Small profits threshold:

no NICs if profits do not exceed

£6,205 pa

Over £8,424–£46,350 pa

9%

Over £46,350 pa

2%

Over £750,000

12%

Over £750,000

12%

Over £750,000

12%

Over £750,000

12%

Over £750,000

12%

Over £750,000

12%

CAPITAL GAINS TAX

Tax Rates – Individuals	18/19	17/18
Within UK basic rate income tax band	10%	10%
Within UK higher and additional rate income tax bands	20%	20%
Tax Rate – Trusts and Estates	20%	20%
Surcharge for residential property and carried interest	8%	8%
Exemptions		
Annual exempt amount: Individuals, estates, etc	£11,700	£11,300
Trusts generally	£5,850	£5,650
Chattels: gain limited to 5/6rds of proceeds exceeding	£6,000	£6,000
Entrepreneurs' Relief	10% on lifetime limit of £10,000,000	
For trading businesses and companies (minimum 5% employee/officer shareholding) held for at least one year		

INHERITANCE TAX

	18/19	17/18
Nil-rate band*	£325,000	£325,000
Residence nil-rate band*†	£125,000	£100,000
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 before 1/9/95		
Annual exempt gifts of: £3,000 per donor	£250 per donee	

*The unused proportion of a deceased spouse's/civil partner's nil-rate band(s) can be claimed on the survivor's death

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

Tax charge on gifts within 7 years of death

Years before death	0–3	3–4	4–5	5–6	6–7
% of death tax charge	100	80	60	40	20

PROPERTY TRANSACTION TAXES AND STAMP DUTIES

Stamp Duty and SDRT: Stocks and marketable securities 0.5%

Second residential properties over £40,000 – add 3% to SDLT/LBTT/LTT rate

England & N Ireland – Stamp Duty Land Tax (SDLT) on slices of value

Residential property	%	Commercial property	%
Up to £125,000	0	Up to £150,000	0
£125,001–£250,000	2	£150,001–£250,000	2
£250,001–£925,000	5	Over £250,000	5
£925,001–£1,500,000	10		
Over £1,500,000	12		

First-time buyers: 0% on first £300,000 for properties up to £500,000

Residential properties bought by companies etc over £500,000: 15% of total consideration

Scotland – Land and Buildings Transaction Tax (LBTT) on slices of value

Residential property	%	Commercial property	%
Up to £145,000	0	Up to £150,000	0
£145,001–£250,000	2	£150,001–£350,000	3
£250,001–£325,000	5	Over £350,000	4.5
£325,001–£750,000	10		
Over £750,000	12		

First-time buyers: 0% on first £175,000: max relief £600 from 06/18 (TBC)

Wales – Land Transaction Tax (LTT) on slices of value (from 1/4/18)

Residential property	%	Commercial property	%
Up to £180,000	0	Up to £150,000	0
£180,001–£250,000	3.5	£150,001–£250,000	1
£250,001–£400,000	5	£250,001–£1,000,000	5
£400,001–£750,000	7.5	Over £1,000,000	6
£750,001–£1,500,000	10		
Over £1,500,000	12		