

## Capital Gains Tax

Individuals	2016/17**	2015/16
Exemption	£11,100	11,100
Standard rate	10%	18%
Higher rate*	20%	28%
<b>Trusts</b>		
Exemption	£5,550	5,550
Rate	20%	28%

\*For higher and additional rate taxpayers.

\*\*Higher rates may apply to the disposal of certain residential property.

## Entrepreneurs' Relief

The first £10m of qualifying gains are charged at 10%. Gains in excess of the limit are charged at the rates detailed above.

## Inheritance Tax

Death rate	Lifetime rate	Chargeable transfers 2016/17 and 2015/16
Nil	Nil	0-£325,000*
40%	20%	Over £325,000*

\*Potentially increased for surviving spouses or civil partners who die on or after 9 October 2007.

## Reliefs

Annual exemption	£3,000	Marriage	Parent	£5,000
Small gifts	£250		Grandparent	£2,500
			Bride/Groom	£2,500
			Other	£1,000

## Reduced charge on gifts within seven years of death

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

## Stamp Duty and Stamp Duty Land Tax

Land and Buildings in England, Wales and N.Ireland				
Rate*	Residential property*	Rate	Non-residential**	
0%	£0 - £125,000	0%	£0 - £150,000	
2%	£125,001 - £250,000	2%	£150,001 - £250,000	
5%	£250,001 - £925,000	5%	Over £250,000	
10%	£925,001 - £1,500,000			
12%	Over £1,500,000			

\*Rates may be increased by 3% where further residential properties costing £40,000 or over are acquired on or after 1 April 2016.

\*\*Payable on consideration which falls in each bracket.

\*\*Payable on total consideration which falls in each bracket from 17/03/2016.

SDLT is charged at 15% on interests in residential dwelling costing more than £500,000 purchased by certain non-natural persons.

Shares and securities - rate 0.5%.

## Land and Buildings Transaction Tax

Land and Buildings in Scotland			
Rate*	Residential property	Rate	Non-residential
0%	£0 - £145,000	0%	£0 - £150,000
2%	£145,001 - £250,000	3%	£150,001 - £350,000
5%	£250,001 - £325,000	4.5%	Over £350,000
10%	£325,001 - £750,000		
12%	Over £750,000		

The rates apply to the portion of the total value which falls within each band in respect of transactions with an effective date on or after 1 April 2015.

\*Rates may be increased by 3% where further residential properties costing £40,000 or over are acquired on or after 1 April 2016.

## National Insurance

2016/17 Class 1 (employed) rates				
Employee		Employer**		
Earnings per week	%	Earnings per week**	%	
Up to £155	Nil*	Up to £156	Nil	
£155.01 - £827	12	Over £156	13.8**	
Over £827	2			

\*Entitlement to contribution-based benefits retained for earnings between £112 and £155 per week.

\*\*The rate is 0% in relation to employees under 21 and apprentices under 25 on earnings up to £827 per week.

Class 1A (employers)	13.8% on employee taxable benefits
Class 1B (employers)	13.8% on PAYE Settlement Agreements
Class 2 (self-employed)	flat rate per week £2.80 small profits threshold £5,965 p.a.
Class 3 (voluntary)	flat rate per week £14.10
Class 4 (self-employed)	9% on profits between £8,060 and £43,000 plus 2% on profits over £43,000

## Statutory Pay Rates

Weekly benefit		2016/17	2015/16
Basic retirement pension	Single person	£119.30	£115.95
	Married couple	£190.80	£185.45
New state pension		£155.65	-
Statutory pay rates	Average weekly earnings £112 or over		
Statutory Sick Pay		£88.45	£88.45
Statutory Maternity and Adoption Pay	First six weeks	90% of weekly earnings	
	Next 33 weeks	£139.58*	£139.58*
	Two weeks	£139.58*	£139.58*

\*Or 90% of weekly earnings if lower.

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# Tax Card 2016/17

A handy reference courtesy of

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## Income Tax Rates

2016/17		2015/16	
Band	Rate	Band	Rate
£0 - £5,000	0%*	£0 - £5,000	0%*
£0 - £32,000	20%**	£0 - £31,785	20%**
£32,001 - £150,000	40%*	£31,786 - £150,000	40%*
Over £150,000	45%*	Over £150,000	45%*

\*Only applicable to savings income. The rate is not available if taxable non-savings income exceeds £5,000. For 2016/17, £1,000 of savings income for basic rate taxpayers (£500 for higher rate) may be tax free.

\*\*Except dividends 7.5% (0%). \*Except dividends 32.5% (25%).

\*Except dividends 38.1% (30.6%).

Other income taxed first, then savings income and finally dividends. For 2016/17 the first £5,000 of dividends are tax free.

## Income Tax Reliefs

	2016/17	2015/16	
Personal allowance	Born after 5 April 1938 Born before 6 April 1938*	£11,000** £11,000**	£10,600** £10,660**
Reduce personal allowance by £1 for every £2 of adjusted net income over £100,000. **£1,100 (£1,060) may be transferable between certain spouses where neither pay tax above the basic rate.			
Married couple's allowance (relief at 10%)*	£8,355	£8,355	
Either partner 75 or over and born before 6 April 1935.			
Minimum amount	£3,220	£3,220	
*Age allowance income limit	£27,700	£27,700	
Reduce age allowance by £1 for every £2 of adjusted net income over £27,700.			
Blind person's allowance	£2,290	£2,290	

## Pension Premiums 2016/17 and 2015/16

Tax relief available for personal contributions: higher of £3,600 (gross) or 100% of relevant earnings (max, £40,000). Any contributions in excess of £40,000, whether personal or by the employer, may be subject to income tax on the individual.

The limit may be reduced by £10,000 once money purchase pensions are accessed. Where the £40,000 limit is not fully used it may be possible to carry the unused amount forward for three years.

Employers will obtain tax relief on employer contributions if they are paid and made 'wholly and exclusively'. Tax relief for large contributions may be spread over several years.

## Individual Savings Accounts

	2016/17 and 2015/16
Overall annual investment limit	£15,240
Junior account limit	£4,080

## Car and Van Tax

CO2 emissions (gm/km)	2016/17 - 2019/20 % of car's list price taxed			
	Tax Year 2016/17	Tax Year 2017/18	Tax Year 2018/19	Tax Year 2019/20
Round down to nearest 5gm/km				
0-50*	7	9	13	16
51-75*	11	13	16	19
76-94*	15	17	19	22
95-99	16	18	20	23
100-104	17	19	21	24
105-109	18	20	22	25
110-114	19	21	23	26
115-119	20	22	24	27
120-124	21	23	25	28
125-129	22	24	26	29
130-134	23	25	27	30
135-139	24	26	28	31
140-144	25	27	29	32
145-149	26	28	30	33
150-154	27	29	31	34
155-159	28	30	32	35
160-164	29	31	33	36
165-169	30	32	34	37
170-174	31	33	35	37
175-179	32	34	36	37
180-184	33	35	37	37
185-189	34	36	37	37
190-194	35	37	37	37
195-199	36	37	37	37
200 and above	37	37	37	37

\* Rounding down to the nearest 5g/km does not apply.

For diesel cars add 3% supplement. Maximum remains 37%. For cars registered before 1 January 1998 charge is based on engine size. List price includes accessories and is not subject to an upper limit. The list price is reduced for capital contributions made by the employee up to £5,000. Special rules may apply to cars provided for disabled employees.

### Lease Rental

Cars emitting 130 g/km of CO2 or less - 100% of the finance element can be claimed against taxable profits. Cars emitting 131 g/km or more - 85% of the finance element can be claimed. The 15% permanent restriction applies to the final business user in a chain of leases on any lease lasting longer than 45 days.

### Short Term Rental

100% of the rental charge is allowable against taxable profits where cars are rented for less than 45 days.

Car fuel benefit 2016/17
£22,200 x 'appropriate percentage'

\*Percentage used to calculate the taxable benefit of the car for which the fuel is provided.

The charge does not apply to certain environmentally friendly cars. The charge is proportionately reduced if provision of private fuel ceases part way through the year. The fuel benefit is reduced to nil only if the employee pays for all private fuel.

Van benefit per vehicle 2016/17	
Van benefit £3,170	Fuel benefit £598

The charges do not apply to vans if a 'restricted private use condition' is met throughout the year. A reduced charge may be due if the van cannot in any circumstances emit CO2 by being driven.

## Car VED Taxation Regime

A new first year VED regime linked to CO2 (left, below) applies to vehicles registered after 1 April 2017. Existing cars on the road will continue to pay at the graduated VED Band rates (right, below).

CO2 emissions (g/km)	From 1 April 2017			VED Band	CO2 emissions (g/km)	2015/2016		
	1st Year	Standard*	Standard*			1st Year	Standard*	Standard*
0	£0	£0	£0	A	Up to 100	£0	£0	£0
1-50	£10	£140	£140	B	101-110	£0	£20	£20
51-75	£25	£140	£140	C	111-120	£0	£30	£30
76-90	£100	£140	£140	D	121-130	£0	£110	£110
91-100	£120	£140	£140	E	131-140	£130	£130	£130
101-110	£140	£140	£140	F	141-150	£145	£145	£145
110-130	£160	£140	£140	G	151-165	£185	£185	£185
131-150	£200	£140	£140	H	166-175	£300	£210	£210
151-170	£500	£140	£140	I	176-185	£355	£230	£230
171-190	£800	£140	£140	J	186-200	£500	£270	£270
191-225	£1,200	£140	£140	K**	201-225	£650	£295	£295
226-255	£1,700	£140	£140	L	226-255	£885	£500	£500
Over 255	£2,000	£140	£140	M	Over 255	£1,120	£515	£515

\* Alternative fuel discount: £10 all cars from 2011 onwards

\*\* Cars with a list price of £40k or above will attract a supplement of £310

\*\* Band K includes cars with CO2 figure over 225g/km but were registered before 23 March 2006.

## Mileage Allowance Payments

2016/17 and 2015/16		
Cars and vans	Rate per mile	These rates represent the maximum tax free mileage allowances for employees using their own vehicles for business. Any excess is taxable. If the employee receives less than the statutory rate, tax relief can be claimed on the difference.
Up to 10,000 miles	45p	
Over 10,000 miles	25p	
Bicycles	20p	
Motorcycles	24p	

## Corporation Tax

Year to 31/03/17		Year to 31/03/16	
Profits band	Rate	Profits band	Rate
All profits	20%	All profits	20%

Different rates apply for ring-fenced (broadly oil industry) profit.

## Capital Allowances

### Plant and machinery - Annual Investment Allowance (AIA)

The AIA gives a 100% write-off on most types of plant and machinery costs, including integral features and long life assets but not cars, of up to £200,000 p.a. for expenditure incurred on or after 1 January 2016. The previous rate was £500,000 p.a. Special rules apply to accounting periods straddling these dates.

Any costs over the AIA fall into the normal capital allowance pools below. The AIA may need to be shared between certain businesses under common ownership.

### Other plant and machinery allowances

The annual rate of allowance is 18%. An 8% rate applies to expenditure incurred on integral features and on long life assets.

A 100% first year allowance may be available on certain energy efficient plant and cars, including expenditure incurred on new and unused zero emission goods vehicles.

### Cars

For expenditure incurred on cars, costs are generally allocated to one of the two plant and machinery pools. Cars with CO2 emissions not exceeding 130g/km receive an 18% allowance p.a. Cars with CO2 emissions over 130g/km receive an 8% allowance p.a.

### Capital allowances on cars

Writing-down allowances				
Vehicle Type	2015/16-2017/18		2014/2015	
	CO2 (g/km)	%	CO2 (g/km)	%
Car	75 and below	100%	95 and below	100%
	76 to 130	18%	96 to 130	18%
	131 and above	8%	131 and above	8%
Commercial	Any CO2	18%	Any CO2	18%

## Value Added Tax

Standard rate	20%
Reduced rate	5%
Annual Registration Limit - from 1.4.16 (1.4.15 - 31.3.16)	£82,000
Annual Deregistration Limit - from 1.4.16 (1.4.15 - 31.3.16)	£80,000
	£81,000