

Tax table 2017/2018

Putting the facts at your fingertips



Income Tax		
Rates Of Tax	2016/17	2017/18
Starting rate for savings (Restricted to savings income only and not available if taxable non-savings income exceeds starting rate band.)	0%	0%
Basic rate	20%	20%
Higher rate	40%	40%
Additional rate	45%	45%
Dividends:		
For basic rate tax payers	7.5%	7.5%
For higher rate tax payers	32.5%	32.5%
For additional rate tax payers	38.1%	38.1%
Starting-rate limit (for savings income)	£5,000	£5,000
Threshold of taxable income above which higher rate applies	£32,000	£33,500*
*For Scottish Taxpayers – for non-savings and non-dividend income, the figure is £31,500		
Threshold of taxable income above which additional rate applies	£150,000	£150,000
Child benefit charge 1% of benefit for every £100 of income over	£50,000	£50,000
Trusts		
Standard rate band (split between trust created by the same Settlor, subject to a minimum of 1/5 th of the full amount)	£1,000	£1,000
Rate applicable to trusts:		
- Dividends	38.1%	38.1%
- Other income	45%	45%

National Insurance Contributions (2017/18)			
Class 1 Employee	Weekly	Monthly	Yearly
Lower Earnings Limit (LEL)	£113	£490	£5,876
Primary threshold	£157	£680	£8,164
Secondary threshold	£157	£680	£8,164
Upper Earnings Limit (UEL)	£866	£3,750	£45,000
Class 1 Employee Contributions			
Total earnings £ per week	Rate		
Below 157*	Nil		
157.01 – 866	12%		
Excess over 866	2%		
Class 1 Employer Contributions			
Total earnings £ per week	Rate		
Below 157**	Nil		
157.01 – 866.00	13.8%		
Excess over 866	13.8%		
*This is the primary threshold below which no employee NI contributions are payable.			
** This is the secondary threshold below which no employer NI contributions are payable.			
Class 2 (self-employed)	Flat rate per week £2.85 where profits exceed £6,025 per annum		
Class 3 (voluntary)	Flat rate per week £14.25.		
Class 4 (self-employed)	9% on profits between £8,164 - £45,000, 2% on profits above £45,000.		

Main Personal Allowances and Reliefs		
	2016/17	2017/18
Personal Savings Allowance:		
for basic rate taxpayers	£1,000	£1,000
for higher rate taxpayers	£500	£500
for additional rate taxpayers	NIL	NIL
Dividend Allowance (at 0%)	£5,000	£5,000
Personal Allowance	£11,000	£11,500
Income limit for Personal Allowance §	£100,000	£100,000
Married/civil partners (if born before 6 April 1938) at 10% †	£8,355	£8,445
Married/civil partners (minimum) at 10% †	£3,220	£3,260
Income limit for age-related allowances (* applies to married couples allowance only)	£27,700*	£28,000*
Blind Person's Allowance	£2,290	£2,320
Rent-a-room tax-free income	£7,500	£7,500
Enterprise Investment Scheme relief limit on £1,000,000 max	30%	30%
Seed Enterprise Investment relief limit on £100,000	50%	50%
Venture Capital Trust relief limit on £200,000 max	30%	30%
§ the Personal Allowance reduces by £1 for every £2 of income above the income limit irrespective of age (under the income threshold). † where at least one spouse/civil partner was born before 6 April 1935.		
Child Tax Credit (CTC)		
- Child element per Child (maximum)	£2,780	£2,780
- Family element	£545	£545
Threshold for tapered withdrawal of CTC	£16,105	£16,105
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
17 of the last 20 tax years	£90,000	£90,000



Pensions			
Tax Year	Lifetime Allowance	Annual Allowance	Money Purchase Annual Allowance
2006/2007	£1,500,000	£215,000	N/A
2007/2008	£1,600,000	£225,000	N/A
2008/2009	£1,650,000	£235,000	N/A
2009/2010	£1,750,000	£245,000	N/A
2010/2011	£1,800,000	£255,000	N/A
2011/2012	£1,800,000	£50,000	N/A
2012/2013	£1,500,000	£50,000	N/A
2013/2014	£1,500,000	£50,000	N/A
2014/2015	£1,250,000	£40,000	N/A
2015/2016	£1,250,000	£40,000*	£10,000*
2016/2017	£1,000,000	£40,000**	£10,000
2017/2018	£1,000,000	£40,000**	£10,000

* Transitional rules apply for pre/post 8 July pension input periods.
 ** For those with income over £110,000, the annual allowance is reduced by £1 for every £2 that adjusted income exceeds £150,000, subject to a minimum allowance of £10,000.

Annual Allowance Charge
 20% - 45% member's tax charge on the amount of total pension input in excess of the annual allowance

Lifetime Allowance Charge
 55% of excess over lifetime allowance if taken as a lump sum.
 25% of excess over lifetime allowance if taken in the form of income, which is subsequently tax due under PAYE.

Individual Savings Accounts (ISA)		
	2016/17	2017/18
Cash / Stocks & Shares Annual investment limit	£15,240	£20,000
Lifetime ISA	N/A	£4,000
Help to Buy ISA	£1,000 initially and thereafter £200 pm	£1,000 initially and thereafter £200 pm
Junior ISA and Child Trust Fund	£4,080	£4,128

Capital Gains Tax		
Exemptions	2016/17	2017/18
Individuals, estates etc.	£11,100	£11,300
Trusts generally*	£5,550	£5,650
Chattels proceeds (restricted to 5/3 rd of the proceeds exceeding limit)	£6,000	£6,000

*Where a Settlor has created more than one trust, the exemption is spread across all trust, subject to a minimum of 1/5th of the trust annual exemption.

Tax Rates

Individuals		
- Up to the basic rate limit	10%**	10%**
- Above the basic rate limit	20%**	20%**
Trustees and personal representatives	20%**	20%**

** Except for carried interest and chargeable gains on residential property which are taxed at 18% up to the basic rate limit and 28% above the basic rate limit.

Entrepreneurs' Relief*** Gains taxed at:	10%	10%
Lifetime limit	£10,000,000	£10,000,000

***For trading businesses and companies (minimum 5% employee or director shareholding) held for at least one year.

Inheritance Tax		
Rates of Tax on Death Transfers	2016/17	2017/18
Nil rate band	£325,000	£325,000
Residence nil rate band	N/A	£100,000
Rate	40%*	40%*
- Lifetime transfers to and from certain trusts	20%	20%

*For deaths after 5 April 2013 a lower rate of 36% applies where at least 10% of deceased's net estate is left to charity.

Main Exemptions

Transfers to;

- UK-domiciled spouse/civil partner	No limit	No limit
- non-UK-domiciled spouse/civil partner (from UK-domiciled spouse)	£325,000	£325,000
- UK-registered charities	No limit	No limit

Lifetime transfers

- Annual exemption per donor	£3,000	£3,000
- Small gifts exemption	£250	£250

Wedding/civil partnership gifts by

- Parent	£5,000	£5,000
- Grandparent	£2,500	£2,500
- Other person	£1,000	£1,000

100% relief: businesses, unlisted/AIM companies, certain farmland/building
 50% relief: certain other business assets

Corporation Tax		
	2016/17	2017/18
Standard rate	20%	19%

Value Added Tax		
	2016/17	2017/18
Standard rate	20%	20%
Reduced rate	5%	5%
Annual registration threshold	£83,000	£85,000
Deregistration threshold	£81,000	£83,000

Private Vehicles Used For Work		
	Rates for 2016/17	Rates for 2017/18
Cars		
On the first 10,000 business miles in tax year	45p per mile	45p per mile
Each business mile above 10,000 business miles	25p per mile	25p per mile
Motor Cycles	24p per mile	24p per mile
Bicycles	20p per mile	20p per mile
Qualifying passenger	5p per mile	5p per mile

Car Benefit For Employees

The charge for company car benefits is based on the carbon dioxide (CO2) emissions in grams per kilometre and the taxable amount is based on the car's list price when new. There is no reduction for high business mileage users.

For 2017/2018:

- The percentage charge is 9% of the car's list price for CO2 emissions of 50g/km or less.
- For cars with CO2 emissions of 51g/km to 75g/km the percentage is 13%.
- For cars with CO2 emissions of 76g/km to 94g/km the percentage is 17%.
- Cars with CO2 emissions of 95g/km have a percentage charge of 18% and thereafter the charge increases by 1% for every complete 5g/km to a maximum of 37% (emissions of 190g/km and above).

There is an additional 3% supplement for diesel cars not meeting Euro IV emission standards, however, the maximum charge remains 37% of the car's list price.

Car fuel

The benefit is calculated as the CO2 emissions % relevant to the car and that % applied to a set figure (£22,600 for 2017/2018) e.g. petrol car emission 90g/km = 17% on car benefit scale. 17% of £22,600 = £3,842.

- 1 Accessories** are, in most cases, included in the list price on which the benefit is calculated.
- 2 List price** is reduced for capital contributions made by the employee up to £5,000.
- 3 Car benefit** is reduced by the amount of employee's contributions towards running costs.
- 4 Fuel scale** is reduced only if the employee makes good **all** the fuel used for private journeys.
- 5 All car and fuel benefits** are subject to employers National Insurance Cont. (Class 1A) of 13.8%.

Main Capital And Other Allowances

	2016/17	2017/18
Plant & machinery (excluding cars) 100% annual investment allowance (first year)	£200,000	£200,000
Plant & machinery (reducing balance) per annum	18%	18%
Patent rights & know-how (reducing balance) per annum	25%	25%
Certain long-life assets, integral features of buildings (reducing balance) per annum	8%	8%
Energy & water-efficient equipment	100%	100%
Zero emission goods vehicles (new)	100%	100%
Qualifying flat conversions, business premises & renovations	100%	100%

Main Social Security Benefits

		2016/17 (£)	2017/18 (£)
Child Benefit	First child	20.70	20.70
	Subsequent children	13.70	13.70
	Guardian's allowance	16.55	16.70
Employment and Support Allowance	Assessment Phase (for the first 13 weeks)		
	Age 16 - 24	Up to 57.90	Up to 57.90
	Aged 25 or over	Up to 73.10	Up to 73.10
	Main Phase (after 13 weeks)		
	Work Related Activity Group	Up to 102.15	Up to 102.15
	Support Group	Up to 109.30	Up to 109.65
Attendance Allowance	Lower rate	55.10	55.65
	Higher rate	82.30	83.10
Retirement Pension	Single	119.30	122.30
	Married	190.80	195.60
Single Tier State Pension		155.65	159.55
Pension Credit	Single person standard minimum guarantee	155.60	159.35
	Married couple standard minimum guarantee	237.55	243.25
	Maximum savings ignored in calculating income	10,000	10,000
Bereavement Payment (lump sum)		2,000	2,000
Widowed Parent's Allowance		112.55	113.70
Jobseekers Allowance	Age 18 - 24	57.90	57.90
	Age 25 or over	73.10	73.10
Statutory Maternity, Paternity and Adoption Pay		139.58	140.98

We make every effort to ensure that this information is accurate. It is based on Aviva's interpretation of current law and legislation, and our understanding of HM Revenue & Customs' (HMRC) practice as at 2 May 2017. Both the law and HMRC practice will change from time to time and our interpretation may be subject to challenge by HMRC or other regulatory body. Our comments are provided for general information purposes only. Aviva takes no responsibility for any decisions or actions taken as a result of the information given and should not be relied upon in place of legal or other professional advice. Aviva cannot act as a legal adviser for you or your clients. You should always seek appropriate professional assistance where formal advice is required.

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