



Greenback Alan
CHARTERED ACCOUNTANTS

TAX TABLES

2003-2004

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INCOME TAX RATES

2003/04		2002/03	
Band £	Rate %	Band £	Rate %
0 - 1,960	10	0 - 1,920	10
1,961 - 30,500	22*	1,921 - 29,900	22*
Over 30,500	40**	Over 29,900	40**

* Except dividends (10%) and savings income (20%).

** Except dividends (32.5%).

Other income taxed first, then savings income and finally dividends.

INCOME TAX RELIEFS

		2003/04 £	2002/03 £
Personal allowance	- under 65	4,615	4,615
	- 65 - 74†	6,610	6,100
	- 75 and over†	6,720	6,370
1 Married couple's allowance	- aged less than 75 and born before 6.4.35†	5,565	5,465
	- 75 and over†	5,635	5,535
	- min. amount	2,150	2,110
† Age allowance income limit		18,300	17,900
Blind person's allowance		1,510	1,480
2 Children's tax credit	Abolished		5,290

Notes

1 Qualifies for relief at 10%.

2 Qualifies for relief at 10%. For 2002/03 credit is increased to a maximum of £10,490 if a child is born in the tax year. Credit gradually withdrawn for higher rate taxpayers. For 2003/04, it has been replaced by Child Tax Credit, a means tested benefit paid to the main carer.

† Reduce age allowance by £1 for every £2 of excess income over £18,300.

PENSION PREMIUMS

Age at the beginning of the tax year	% of Net Relevant Earnings (NRE) 2003/04 & 2002/03	
	*Personal Pensions (including stakeholder)	Retirement Annuities
35 or less	17.5	17.5
36 - 45	20	17.5
46 - 50	25	17.5
51 - 55	30	20
56 - 60	35	22.5
61 - 74	40	27.5

* Maximum contributions 2003/04 and 2002/03: higher of

- £3,600 (gross)

- % of NRE capped at £99,000 in 2003/04 (2002/03 £97,200)

CAR AND FUEL BENEFITS

Company cars - 2003/04		<ul style="list-style-type: none"> For diesel cars add a 3% supplement, but maximum still 35%. If the CO₂ figure doesn't end in a 5 or 0 round down to the nearest 5 or 0. Discounts apply to certain environmentally friendly cars. For cars registered before 1.1.98 charge is based on engine size.
Percentage of car's list price taxed	CO ₂ emissions in grams per kilometre	
15%	up to 155 (165 in 2002/03)	
additional 1%	for every additional 5	
up to 35% (max)	255 and above (265 in 2002/03)	

Notes

- The list price includes accessories and is subject to an upper limit of £30,000.
- List price is reduced for capital contributions made by the employee up to £5,000.
- Payments made by employees may reduce the benefits.

Van benefit - 2003/04 and 2002/03

Per vehicle	Vehicles at least 4 years old		Notes
	Vehicles under 4 years old	Vehicles at least 4 years old	
	£500	£350	<ol style="list-style-type: none"> The age is determined at the end of the tax year. Van benefits include fuel for private use.

Car fuel scale charge

2003/04: £14,400 x 'appropriate percentage'*

*percentage used to calculate the taxable benefit of the car for which the fuel is provided. The charge is proportionately reduced if provision of private fuel ceases part way through the year.

2002/03	Up to 1400cc	1401 - 2000cc	Over 2000cc
Petrol/LPG	£2,240	£2,850	£4,200
Diesel	£2,850	£2,850	£4,200

The fuel scale charge is reduced to nil only if the employee pays for all private fuel.

MILEAGE ALLOWANCE PAYMENTS

	2003/04 and 2002/03 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.
Cars and vans		
Up to 10,000 miles	40p	
Over 10,000 miles	25p	
Bicycles	20p	
Motorcycles	24p	

INDIVIDUAL SAVINGS ACCOUNTS (ISAs)

2003/04 and 2002/03
Overall investment limit
£7,000

CORPORATION TAX

	Years to 31.3.04 and 31.3.03	
	Profits band £	Rate %
Starting rate	0 - 10,000	0
Marginal (starting) rate	10,001 - 50,000	23.75
Small companies rate	50,001 - 300,000	19
Marginal (small companies) rate	300,001 - 1,500,000	32.75
Full rate	Over 1,500,000	30
Starting rate fraction		19/400
Small companies fraction		11/400

CAPITAL ALLOWANCES

Writing Down Allowance

Plant and Machinery*	25%#(reducing balance)
Motor Cars**	25% (reducing balance) - £3,000 max
Industrial and Agricultural Buildings and Hotels	4% (straight line)

* For small and medium businesses: first year allowances (FYAs) on expenditure incurred from 2.7.98 of 40%. 100% FYAs on expenditure incurred between 12.5.98 and 11.5.02 on plant and machinery for use primarily in Northern Ireland.

For small businesses: 100% FYAs on expenditure incurred between 1.4.00 and 31.3.04 on computers, software and internet-enabled mobile phones.

For all businesses: 100% FYAs on expenditure on energy saving plant and machinery from 1.4.01. **100% FYAs on new cars with CO₂ emissions not exceeding 120 gm/km from 17.4.02. #6% on certain long life assets.

VALUE ADDED TAX

Standard Rate	17.5%
Lower Rate	5%
Annual Registration Limit - from 10 April 2003 (25.4.02 - 9.4.03 £55,000)	£56,000

VAT on private fuel - scale charge due per quarter per car for accounting periods beginning on or after 1 May 2003.

	Petrol		Diesel	
	Charge £	VAT £	Charge £	VAT £
Up to 1400cc	237	35.29	225	33.51
1401 - 2000cc	300	44.68	225	33.51
Over 2000cc	442	65.82	283	42.14

CAPITAL GAINS TAX

	2003/04	2002/03
Individuals		
Exemption	£7,900	£7,700
Balance of gains (reduced by taper relief) charged as top slice of income (at savings rates - ie 10%, 20% or 40%)		
Trusts		
Exemption	£3,950	£3,850
Balance of gains (reduced by taper relief)	34%	34%
Retirement relief (from age 50) exempt, first	Abolished	£50,000
Additional relief of 50% on the next	Abolished	£150,000

Taper relief 2003/04 & 2002/03 disposals

Percentage relief depends on number of complete years asset owned after 5.4.98.

Years of ownership	1	2	3	4	5	6	7	8	9	10
Business assets (% relief)	50	75	75	75	75	75	75	75	75	75
Non-business assets* (% relief)	0	0	5	10	15	20	25	30	35	40

*Add one extra year if asset owned before 17.3.98.

INHERITANCE TAX

Death Rate %	Lifetime Rate %	Chargeable Transfers	
		2003/04 £'000	2002/03 £'000
Nil	Nil	0 - 255	0 - 250
40	20	Over 255	Over 250

Reliefs

Annual exemption	£3,000	Small gifts	£250
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STAMP DUTY

Shares and securities	0.5%	Disadvantaged areas Residential property: exemption up to £150,000 from 30.11.01 Commercial property: exemption up to £150,000 from 30.11.01 to 9.4.03 exemption without limit from 10.4.03
Other property		
Up to £60,000*	Nil	
£60,001 - £250,000	1%	
£250,001 - £500,000	3%	
Over £500,000	4%	

From 1.12.03 Stamp duty abolished on property other than land, shares and interests in partnerships. *Nil rate upper threshold on commercial property increased to £150,000.

NATIONAL INSURANCE

Class 1 (employed) (Contracted in) Weekly earnings	2003/04 Rates	
	Employer	Employee
Up to £89	Nil*	Nil*
£89.01 - £595	12.8%**	11%**
Over £595	12.8%**	£55.66 + 1%†

* Entitlement to contribution-based benefits retained for earnings between £77.01 and £89 per week.

** On earnings above £89.
† On earnings above £595.

Class 1A (employers)	12.8% on employee taxable benefits
Class 1B (employers)	12.8% on PAYE Settlement Agreements
Class 2 (self-employed)	flat rate per week £2.00 small earnings exception p.a. £4,095
Class 3 (voluntary)	flat rate per week £6.95
Class 4 (self-employed)	8% on profits between £4,615 and £30,940 plus 1% on profits over £30,940

MAIN SOCIAL SECURITY BENEFITS

Weekly Benefit	2003/04	2002/03
Basic Retirement Pension		
- single person	£77.45	£75.50
- married couple	£123.80	£120.70

Statutory Sick Pay (SSP)

Average weekly earnings £77 (£75) or over £64.35 £63.25

Statutory Maternity Pay (SMP)

Average weekly earnings £77 (£75) or over:

First six weeks	90% of weekly earnings
Next 20 (12) weeks	£100* £75

* Or 90% of weekly earnings if lower

**Statutory Paternity Pay (SPP) 2003/04 only

Two weeks: the lower of 90% of weekly earnings or £100

**Statutory Adoption Pay (SAP) 2003/04 only

26 weeks: the lower of 90% of weekly earnings or £100

** Average weekly earnings £77 or over

SELF ASSESSMENT: KEY DATES 2003/04

31 July 2003 - Second payment on account for 2002/03.

30 September 2003 - Deadline for submission of tax returns for Inland Revenue calculation; and where the taxpayer wants a balancing payment (below £2,000) collected through their 2004/05 PAYE code.

5 October 2003 - Deadline for notifying Inland Revenue of new sources of income if no tax return has been issued for 2002/03.

31 January 2004 - Deadline for filing tax returns for 2002/03. Balancing payment due for 2002/03. First payment due for 2003/04.

The information in this tax card is based upon the 2003 Budget and other earlier announcements and may be subject to amendment by the Finance Act.