

A guide to... Tax allowances.



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ISAs

	2014 - 2015	Change
Annual allowance	£11,880 (rising to £15,000 from 01-07-2014)	+ £360
Cash element	£5,940	+ £180
Junior ISA allowance	£3,840	+ £120

Inheritance tax

	2013-2014	2014-2015	Change
Personal allowance	£325,000	£325,000	£0
Couple's allowance	£650,000	£650,000	£0

Capital gains tax allowance

Changes were made to the rate at which Capital Gains Tax (CGT) is paid in the coalition government's Emergency Budget in 2010. The rates of CGT remain at 18% for non and basic rate taxpayers, while higher and additional rate taxpayers, as well as most trusts, will pay at a rate of 28%. The CGT allowance will increase in line with Consumer Prices Index (CPI) (then 1% in 2014-15).

	2013-2014	2014-2015	Change
Individuals	£10,900	£11,000	+ £100

Pension Scheme - Personal Allowance

As of April 6, 2012 the lifetime allowance for pension savings was reduced by £300,000 from £1.8million to £1.5million and will remain at the same level from April 6, 2013.

For any pension scheme members who have already built up savings in excess of £1.5 million, or have planned to do so as they were unaware that the lifetime allowance would not reduce from the current level, there will be a new form of protection called 'fixed protection'.

	2013-2014	2014-2015	Change
Annual allowance	£50,000	£40,000	- £10,000
Lifetime allowance	£1,500,000	£1,500,000	£0



Income Tax - Personal Allowances

	2012-2013	From April 2014	Change
Those born after April 5, 1948*	£8,105	£10,000	+ £560
Those born between April 6, 1938 and April 5, 1948*	£10,500	£10,500	£0
Those born before April 6, 1938	£10,660	£10,660	£0
Married couple's allowance* (for people born before April 6, 1935)	£7,705	£8,165	+£250
Married couple's allowance (for people born before April 6, 1935)	£2,960	£3,140	+£100
Income limit for age-related allowances	£25,400	£27,000	+£900
Blind person's allowance	£2,100	£2,230	+£70

* These allowances may be lower depending on your income. As of 2013-14, an individual's personal allowance will be based upon date of birth and income in the tax year. Married couple's allowance is given at the rate of 10%. It applies to couples where at least one spouse was born before April 6 1935.

Income: Taxable bands

	2013-2014	2014-2015
Basic Rate 20%	£0 - £34,370	£0 - £31,865
Higher Rate 40%	£34,371 - £150,000	£31,866 - £150,000
Additional Rate 45%	Over £150,000	Over £150,000

Stamp Duty

Rate	Residential in disadvantaged areas*	Residential	Non-residential
Zero	£0 - £150,000	£0 - £125,000	£0 - £150,000
1%	£150,001 - £250,000	£125,001 - £250,000	£150,001 - £250,000
3%	£250,001 - £500,000	£250,001 - £500,000	£250,001 - £500,000
4%	£500,001 to £1,000,000	£500,001 to £1,000,000	Over £500,000
5%	Over £1,000,000 to £2,000,000	Over £1,000,000 to £2,000,000	N/A
7%	Over £2,000,000	Over £2,000,000	N/A
15%	Over £2,000,000 bought by corporate bodies	Over £2,000,000 bought by corporate bodies	N/A

