

Tax Table 2008/2009

For use in the following **ifs** examinations from 1 September 2008 to 31 August 2009:

Certificate for Financial Advisers (CeFA[®])
 Certificate in Mortgage Advice and Practice (CeMAP[®])
 Customer Services Professional (CSP)
 Certificate in Regulated Equity Release (CeRER[®])
 Advanced CeMAP (Adv CeMAP[®])

This tax table provides information relating to the 2008/2009 tax year, unless otherwise stated.

Where rates and allowances are not specified in the questions, the following should be applied in answers where taxation is a relevant consideration and/or is required as part of the answer:

Income Tax	Rate	£
Basic rate	20%	0 to 34,800
Higher rate	40%	34,801+

Personal Allowances	Age on 5.4.2009	£
Personal	Under 65	6,035
	65 - 74	9,030 (a)
	75+	9,180(a)
Married couples age allowance†	71 -74	6,535(a)*
	75+	6,625(a)*

† Available only to couples where at least one of them was born before 6 April 1935.

(a) If income exceeds £21,800, these age-related allowances are reduced by £1 for every £2 of additional income.

* Relief restricted to 10%.

Inheritance Tax		£
Annual exemption		3,000
Small gifts exemption		250
Gross transfer	Rate	
First £312,000	Nil	
Excess	40%	
Chargeable lifetime transfer	20%	
Gifts in consideration of marriage:		
from parents (per parent)		5,000
from grandparents (per grandparent)		2,500
from others (per person)		1,000
Reduction on tax charge for gifts within 7 years of death	Years between gift and death	% of death rate tax payable
	0 - 3	100%
	3 - 4	80%
	4 - 5	60%
	5 - 6	40%
	6 - 7	20%

This tax table continues overleaf

Tax table continued

Capital Gains Tax	Rate	£
Personal allowance	0%	9,600
Chargeable gains	18%	

Stamp Duty Land Tax

Rate	Value of property £
0%	0-125,000
1%	Over 125,000 – 250,000
3%	Over 250,000 – 500,000
4%	Over 500,000

National Insurance Contributions

Class 1 (employees)	Contracted-in	Contracted-out
Earnings up to £105 per week	Nil	Nil
Earnings over £105 per week	Nil on first £105 + 11% on next £665 + 1% on all over £770	Nil on first £105 + 9.4% on next £665 + 1% on all over £770
Class 2 (self-employed)		
Over £4,825 annual profits	£2.30 per week (flat rate)	
Class 3 (voluntary)	£8.10 per week (flat rate)	
Class 4 (self-employed)		
On annual profits of	£5,435 to £40,040 pa	8.0%
On all annual profits above	£40,040 pa	1.0%

Simplified (A Day) Pension Allowances

	Annual Allowance	Lifetime Allowance
2006/2007	£215,000	£1,500,000
2007/2008	£225,000	£1,600,000
2008/2009	£235,000	£1,650,000
2009/2010	£245,000	£1,750,000
2010/2011	£255,000	£1,800,000

Pension Credit Age 60 and over, entitled to credit necessary to guarantee a minimum:

Single person £124.05 per week

Couple £189.35 per week

Capital (savings, but not the value of the house) over £6,000 is deemed to produce income of £1 per week for every £500 (or part) over £6,000.

Pension Credit – savings credit Age 65 and over:

Single person Capped at £19.71 per week

Couple Capped at £26.13 per week