

		Note	2011/12	2010/11
Income Tax Rates				
Savings starting rate band to			£2,560	£2,440
Savings starting tax band rate			10%	10%
Basic rate band			£2,561 - £35,000	£2,441 - £37,400
Basic tax rate			20%	20%
Higher rate band			£35,001 - £150,000	Over £37,400
Higher rate tax			40%	40%
New Higher rate band			Over £150,000	Over £150,000
New Higher rate tax			50%	50%
Tax on UK dividends within starting (2011/12) and basic rate bands			10%	10%
UK dividend rate			32.5%	32.5%
Dividend additional rate			42.5%	42.5%
Trusts				
Dividend ordinary rate (first £1,000 income)			10%	10%
Savings/other income (first £1,000 income)			20%	20%
Trust rate (above £1,000 income)			50%	50%
Dividend trust rate (above £1,000 income)			42.5%	42.5%
Allowances that reduce taxable income				
Personal allowance (PA)	under 65	1	£7,475	£6,475
	65 to 74	1,3	£9,940	£9,490
	75 and over	1,3	£10,090	£9,640
	Blind person's allowance		£1,980	£1,890
Allowances that reduce tax: Married couple's allowance (MCA)				
Tax reduction	Either partner born before 6 April 1935	1,2,3	£729.50	£696.50
The age-related allowances are progressively withdrawn if income exceeds			£24,000	£22,900
Minimum PA			£7,475	£6,475
Minimum MCA tax reduction			£280	£267
Tax Shelters				
Enterprise Investment Scheme (EIS) up to			£500,000	£500,000
Venture Capital Trust (VCT) up to			£200,000	£200,000
Golden Handshake max.			£30,000	£30,000
Rent a Room - exempt on gross annual rent up to			£4,250	£4,250
Construction Industry Scheme - deduction rate				
Standard rate - registered			20%	20%
Higher rate - not registered			30%	30%

Notes

1. Ages are as the end of the tax year. Ages for the MCA relate to the elder of spouse or civil partner.
2. MCA is available only to those couples where at least one spouse or civil partner was born before 6 April 1935.
3. The higher rates of personal allowances are reduced by £1 for each £2 of excess income over £24,000 (2010/11 £22,900) until the basic allowance is reached. Similar limits apply to the married couple's allowance: the loss of tax reduction is 10p for each £2 of excess income until the minimum of £280 (2010/11 £267) is reached. (For couples married before 5 December 2005, only the husband's income is taken into account. For those married on or after 5 December 2005 or in a civil partnership, only the higher earner's income is taken into account).