

Tables confirming tax and tax credit rates and thresholds for 2012-13

Table 1.A: Bands of taxable income

2011-12	£ a year	2012-13	£ a year
Basic ^{1,2} rate (20 per cent)	0 - 35,000	Basic ^{1,2} rate (20 per cent)	0 – 34,370
Higher ² rate (40 per cent)	35,001 - 150,000	Higher ² rate (40 per cent)	34,371 – 150,000
Additional rate (50 per cent)	over 150,000	Additional rate (50 per cent)	Over 150,000

¹ From 2008-09 there is a 10 per cent starting rate for savings income only. The starting rate limit for savings is £2,560 for 2011-12 and will increase in line with RPI to £2,710 for 2012-13. If an individual's taxable non-savings income exceeds the starting rate limit, then the 10 per cent starting rate for savings will not be available for savings income.

² The rates available for dividends for the 2011-12 tax year are the 10 per cent dividend ordinary rate, 32.5 per cent dividend upper rate and the 42.5 per cent dividend additional rate. These rates will stay the same for the 2012-13 tax year.

Table 1.B: Income tax allowances

	£ a year		
	2011-12	2012-13	Change
Personal allowance			
age under 65	7,475	8,105	630
age 65-74	9,940	10,500	560
age 75 and over	10,090	10,660	570
Married couple's allowance ¹			
maximum amount	7,295	7,705	410
minimum amount ²	2,800	2,960	160
Income limit for under 65 personal allowance	100,000	100,000	0
Income limit for age-related allowances	24,000	25,400	1,400
Blind person's allowance	1,980	2,100	120

¹ Available to people born before April 6 1935. Tax relief for this allowance is restricted to 10 per cent.

² This is also the maximum relief for maintenance payments where at least one of the parties is born before 6 April 1935.

Table 1.C: Class 1 National Insurance Contribution rates 2012-13

Employee (primary)		Employer (secondary)	
Earnings ¹ £ a week	NIC rate ² per cent	Earnings ¹ £ a week	NIC rate ³ per cent
Below £107 (LEL)	0	Below £144 (ST)	0
£107 to £146 (PT) ⁴	0	Above £144	13.8
£146 to £817 (UEL)	12		
Above £817	2		

¹ The limits are defined as LEL - lower earnings limit; PT - primary threshold; ST - secondary threshold; and UEL - upper earnings limit.

² The contracted-out rebate for primary contributions in 2012-13 is 1.4 per cent of earnings between the LEL and the upper accrual point (UAP) of £770 for contracted-out salary-related schemes (COSRS). Contracting out for money purchase schemes (COMPS) will be abolished on 5 April 2012.

³ The contracted-out rebate for secondary contributions is 3.4 per cent of earnings between the LEL and UAP for COSRS.

⁴ No NICs are actually payable but a notional Class 1 NIC is deemed to have been paid in respect of earnings between LEL and PT to protect contributory benefit entitlement.

Table 1.D: Self-employed National Insurance Contribution rates 2012-13

Annual profits ¹ £ a year	Self-employed NICs	
	Class 2 ² £ a week	Class 4 per cent
Below £5,595 (SEE) ³	0.00	0
£5,595 to £7,605 (LPL)	2.65	0
£7,605 to £42,475 (UPL)	2.65	9
Above £42,475	2.65	2

¹ The limits are defined as SEE - small earnings exception; LPL - lower profits limit and UPL - upper profits limit.

² Class 2 NICs are paid at a weekly flat rate of £2.65 by all self employed persons unless they have applied for a small earnings exception.

³ The self-employed may apply for exception from paying Class 2 contributions if their earnings are less than, or expected to be less than, the level of the small earnings exception.

Table 1.E: Other NICs rates

	2011-12	2012-13
Married Women's Reduced Rate (per cent)	5.85	5.85
Special Class 2 rate for share fishermen	£3.15 per week	£3.30 per week
Special Class 2 rate for volunteer development workers	£5.10 per week	£5.35 per week
Class 3 rate	£12.60 per week	£13.25 per week

¹ Married Women's Reduced Rate is paid only by married women and certain widows with valid reduced rate elections.

² Class 3 NICs are paid by contributors to make the year a qualifying year for basic State Pension and Bereavement Benefit purposes.

Table 1.F: Working and Child Tax Credit rates and thresholds

	£ a year		
	2011-12	2012-13	Change
Working Tax Credit¹			
Basic Element	1,920	1,920	-
Couple and lone parent element	1,950	1,950	-
30 hour element	790	790	-
Disabled worker element	2,650	2,790	140
Severe disability element	1,130	1,190	60
Childcare element			
maximum eligible cost for one child	£175 per week	£175 per week	-
maximum eligible cost for two or more children	£300 per week	£300 per week	-
<i>per cent of eligible costs covered</i>	<i>70 per cent</i>	<i>70 per cent</i>	-
Child Tax Credit			
Family element	545	545	-
Child element	2,555	2,690	135
Disabled child element	2,800	2,950	150
Severely disabled child element	1,130	1,190	60
Income thresholds and withdrawal rates²			
Income threshold	6,420	6,420	-
<i>Withdrawal rate (per cent)</i>	<i>41</i>	<i>41</i>	-
First threshold for those entitled to Child Tax Credit only	15,860	15,860	-
Income rise disregard	10,000	10,000	-
Income fall disregard	-	2,500	2,500

¹ As announced in the June Budget 2010, the 50 plus element of the Working Tax Credit will be removed from April 2012.

² As announced in the June Budget 2010, the family element of the Child Tax Credit will taper immediately after the child element from April 2012.

Table 1.G: Child Benefit and Guardian's Allowance

	£ a week		
	2011-12	2012-13	Change
Child Benefit			
First child rate	20.30	20.30	-
Rate for additional children	13.40	13.40	-
Guardian's Allowance	14.75	15.55	0.80

Table 1.H: Tax-free Savings Accounts

	£ a year	
	2011-12	2012-13
Individual Savings Account (ISA) subscription limit		
Overall limit	10,680	11,280
of which cash	5,340	5,640
of which stocks & shares	10,680	11,280
Junior ISA subscription limit	3,600	3,600
Child Trust Fund (CTF) subscription limit¹	3,600	3,600

¹ As announced on 1 November 2011, the CTF limit for 2011-12 has been increased from £1,200 to £3,600.

Table 1.I: Air Passenger Duty (APD)

APD distance bands	APD rates (£ a passenger from 1 April 2012)	
	Reduced rate ¹ (in lowest class of travel)	Standard rate ¹ (in other than lowest class of travel)
Miles from UK		
Band A (0-2000)	£13	£26
Band B (2001-4000)	£65	£130
Band C (4001-6000)	£81	£162
Band D (over 6000)	£92	£184

¹ Standard APD rates are twice reduced rates.