

## Rates and Allowances

**Budget announcements of main rates and allowances for the tax year 2011-12. This Annex also includes all announcements made at June 2010 Budget and subsequently.**

### PERSONAL TAX AND BENEFITS

#### Income tax

The June Budget 2010 announced the main rates and allowances for income tax for 2011-12, including an increase in the personal allowance for those aged under 65 of £1,000 and a £1,400 reduction in the basic rate limit. The NICs Upper Earnings and Profits limit will be reduced by £2,400 so that they remain aligned with the income tax higher rate threshold (the sum of the personal allowance and basic rate limit). These are set out in the table below.

At Budget 2011, the Government announced that:

- the personal allowance for under 65's will increase by £630 bringing it to £8,105; and
- The basic rate limit will fall by £630, taking it from £35,000 in 2011-12 to £34,370 in 2012-13.

<b>Income tax bands of taxable income - £ per year</b>		
	<b>2010-11</b>	<b>2011-12</b>
Basic Rate <sup>1</sup>	0-37,400	0 – 35,000
Higher Rate	37,401 -150,000	35,001 – 150,000
Additional Rate	Over 150,000	Over 150,000

<sup>1</sup> There is a starting rate for savings income only. If an individual's taxable non-savings income exceeds the starting rate limit, then the 10% starting rate for savings will not be available for savings income. The starting rate limit for 2010-11 is £2,440 and for 2011-12 it is £2,560.

<b>Income tax rates</b>	<b>2010-11</b>	<b>2011-12</b>
Basic Rate	20%	20%
Higher Rate	40%	40%
Additional Rate	50%	50%
Dividend Ordinary Rate for dividends otherwise taxable at the basic rate (effective rate with tax credit)	10% (0%)	10% (0%)
Dividend Upper Rate for dividends otherwise taxable at the higher rate (effective rate with tax credit)	32.5% (25%)	32.5% (25%)
Dividend Additional Rate for dividends otherwise taxable at the additional rate (effective rate with tax credit)	42.5% (36.1%)	42.5% (36.1%)

<b>Special Rates for Trustees' Income</b>		
	<b>2010-11</b>	<b>2011-12</b>
Standard rate on first £1000 of income which would otherwise be taxable at the special rates for trustees.	Up to 20% depends on the type of income	Up to 20% depends on the type of income
Trust rate	50%	50%
Dividend trust rate	42.5%	42.5%

<b>Income tax allowances - £ per year</b>		
	<b>2010-11</b>	<b>2011-12</b>
Personal allowance*		
Age under 65 <sup>1</sup>	6,475	7,475
Age –related allowance (65-74) <sup>1, 2</sup>	9,490	9,940
Age –related allowance (75+) <sup>1,2</sup>	9,640	10,090
Income limit for under 65 personal allowance	100,000	100,000
Income limit for age-related allowances	22,900	24,000
Married couples allowance <sup>2, 3</sup>		
Maximum amount of married couples allowance	6,965	7,295
Minimum amount of married couple's allowance <sup>4</sup>	2,670	2,800
Blind Persons Allowance	1,890	1,980

<sup>1</sup>This allowance reduces where the income is above £100,000 - by £1 for every £2 of income above the £100,000 limit. This reduction applies irrespective of age.

<sup>2</sup>These allowances reduce where the income is above the income limit for age-related allowances (£24,000) by £1 for every £2 of income above the limit until they reach the level of the personal allowance for those aged under 65.

<sup>3</sup>Available to people born before 6 April 1935. Tax relief for this allowance is given at 10 per cent.

<sup>4</sup>This is also the maximum relief for maintenance payments where at least one of the parties was born before 6 April 1935.

## National Insurance Contributions

The June Budget 2010 announced the main rates and thresholds for national insurance contributions (NICs) for 2011-12. The other values were confirmed in December 2010. These are set out in the table below.

<b>Employee &amp; employer - rates &amp; thresholds -£ per week unless stated</b>	<b>2010-11</b>	<b>2011-12</b>
Lower Earnings Limit (LEL) for Class 1 NICs	97.00	102.00
Upper Earnings Limit (UEL) for Employees' (Primary) Class 1 NICs	844.00	817.00
Upper Accrual Point (UAP)	770.00	770.00
Primary Threshold	110.00	139.00
Secondary Threshold	110.00	136.00
<b>Employee`s (primary) Class 1 contribution rates</b>		
2010-11 weekly earnings from £110.01 to £844.00 Earnings Limit	11%	N/A
2010-11 weekly earnings above £844.00	1%	N/A
2011-12 weekly earnings from £139.01 to £817.00	N/A	12%
2011-12 weekly earnings above £817.00	N/A	2%
<b>Employee`s contracted out rebate</b>		
For both salary related (COSR) and money purchase (COMP) schemes between LEL & UAP	1.6%	1.6%
<b>Married women`s reduced rate for (primary) class 1 contribution rates*</b>		
2010-11 weekly earnings from £110.01 to £844.00 Earnings Limit	4.85%	N/A
2010-11 weekly earnings above £844.00	1%	N/A
2011-12 weekly earnings from £139.01 to £817.00	N/A	5.85%
2011-12 weekly earnings above £817.00	N/A	2%
<b>Employer`s (secondary) Class 1 contribution rates</b>		
2010-11 weekly earnings above £110.00	12.8%	N/A
2011-12 weekly earnings above £136.00	N/A	13.8%
<b>Employer`s contracted out rebate -</b>		
Employers contracted our rebate – salary related schemes (COSR) between LEL and UAP	3.7%	3.7%
Employers contracted our rebate- money purchase schemes (COMP) between LEL and UAP	1.4%	1.4%

\*The reduced rate applies to women married before 6 April 1977 who have elected to pay a reduced rate of class 1 contributions.

<b>Self employed and others - rates and thresholds (£ per week unless stated)</b>		
<b>Class 2 National insurance contributions*</b>	<b>2010-11</b>	<b>2011-12</b>
Self employed- class 2 NICs	2.40	2.50
Small earnings annual exception level –class 2 NICs	5,075	5,315
Volunteer development workers –class 2 NICs	4.85	5.10
Share fishermen –class 2 NICs	3.05	3.15
<b>Class 3 National insurance contributions</b>		
Voluntary contributions	12.05	12.60
<b>Class 4 National Insurance contributions</b>		
2010-11 annual profits below Lower Profits Limit £5,715	Nil	N/A
2010-11 annual profits above Lower Profits Limit £5,715 but below Upper Profits Limit £ 43,875	8%	N/A
2010-11 annual profits above Upper Profits Limit £ 43,875	1%	N/A
2011-12 annual profits below Lower Profits Limit £7,225	N/A	Nil
2011-12 annual profits above Lower Profits Limit £7,225 but below Upper Profits Limit £42,475	N/A	9%
2011-12 annual profits above Upper Profits Limit £42,475	N/A	2%

\*Class 2 NICs are paid by all self-employed persons. Those with profits less than, or expected to be less than, the level of the small earnings exception may apply for exemption from paying Class 2 contributions.

## **Working and Child Tax Credits, Child Benefit and Guardians Allowance**

June Budget 2010 announced the rates and thresholds for tax credits for 2011-12. The remaining amounts were confirmed in December 2010. These are set out in the table below. No further changes to tax credits for 2011-12 have been announced in Budget 2011.

<b>Working and Child Tax Credits</b>		
<b>£ per year (unless stated)</b>	<b>April 2010</b>	<b>April 2011</b>
<b>Working Tax Credit</b>		
Basic element	1,920	1,920
Couple and lone parent element	1,890	1,950
30 hour element	790	790
Disabled worker element	2,570	2,650
Severe disability element	1,095	1,130
50+ Return to work payment (16-29 hours)	1,320	1,365
50+ Return to work payment (30+ hours)	1,965	2,030
<b>Childcare element of the Working Tax Credit</b>		
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
Percentage of eligible costs covered	80%	70%

<b>Working and Child Tax Credits (continued)</b>		
<b>£ per year (unless stated)</b>	<b>April 2010</b>	<b>April 2011</b>
<b>Child Tax Credit*</b>	545	545
Family element	2,300	2,555
Child element	2,715	2,800
Disabled child element	1,095	1,130
Severely disabled child element		
<b>Income thresholds and withdrawal rates</b>		
First income threshold	6,420	6,420
First withdrawal rate (per cent)	39%	41%
Second income threshold	50,000	40,000
Second withdrawal rate (per cent)	6.67%	41%
First threshold for those entitled to Child Tax Credit only	16,190	15,860
Income disregard	25,000	10,000

<b>Child Benefit</b>		
<b>£ per week</b>	<b>April 2010</b>	<b>April 2011</b>
Eldest/only child	20.30	20.30
Other children	13.40	13.40
<b>Guardians Allowance</b>		
<b>£ per week</b>	<b>April 2010</b>	<b>April 2011</b>
Guardians Allowance	14.30	14.75

## CAPITAL, ASSETS AND PROPERTY

On 14 October 2010, the Government announced changes to the lifetime allowance and annual allowance for tax-privileged pension saving. The allowance limits for 2011-12 are set out below. The Government has also announced that the lifetime allowance will be £1.5 million in 2012-13.

Pensions Savings- tax relief	2010-11 allowance limit	2011-12 allowance limit
Lifetime allowance	£1.8 million	£1.8million
Annual allowance	£255,000	£50,000

Budget 2011 announced that the entrepreneurs' relief lifetime limit of gains will increase from £5 million to £10 million from 6 April 2011.

Capital Gains Tax		
Tax Year	2010-11	2011-12
Rates for individuals	Gains before 23 June: 18% Gains on or after 23 June: 18% / 28% (note 2)	<b>18% / 28%</b> (note 4)
Rates for trustees and personal representatives	Gains before 23 June: 18% Gains on or after 23 June: 28% (note 3)	<b>28%</b>
Annual Exempt Amount (AEA) for individuals and personal representatives (note 1)	£10,100	<b>£10,600</b>
Annual Exempt Amount (AEA) for most trustees	£5,050	<b>£5,300</b>
Rate on gains subject to Entrepreneurs' Relief	10% (note 3)	<b>10%</b>

Capital Gains Entrepreneurs' Relief	2010-11		2011-12
	6 April – 22 June	23 June – 5 April	
Entrepreneurs' relief lifetime limit of gains	<b>£2,000,000</b>	<b>£5,000,000</b>	<b>£10,000,000</b>

### Notes

- Personal representatives** are entitled to the annual exempt amount for the tax year in which the individual dies and the next two years.
- Individuals** gains from 23 June 2010 are charged at 18% up to the limit of the basic rate income tax band (if any), and at 28% on gains above that limit.
- Tax Year 2010-11:** Where **Entrepreneurs' Relief** applies, gains before 23 June 2010 are reduced by 4/9 and charged at 18%; qualifying gains on or after 23 June 2010 are charged at 10% (with no 4/9 reduction).
- Tax Year 2011-12: Rates for Individuals** 18% up to the limit of the basic rate income tax band (if any) **and** 28% on gains above that limit.
- Companies** are not within the charge to Capital Gains Tax. Corporation Tax rules apply.

June Budget 2010 confirmed that the inheritance rate nil rate band will remain frozen until 2014-15.

<b>Inheritance Tax</b>	<b>2010-11</b>	<b>2011-12</b>
Rate	40%	40%*
Nil Rate band	£325,000	£325,000

\*Budget 2011 announced that from April 2012, a reduced rate of IHT of 36% will be introduced where 10 per cent of more of the net estate is left to charity.

The cash value of ISA limits was confirmed in December 2010. No further changes have been announced at Budget 2011.

<b>Individual Savings Account</b>	<b>2010-11</b>	<b>2011-12</b>
Cash value of ISA limit	£10,200, up to £5,100 of which can be saved in cash	£10,680, up to £5,340 of which can be saved in cash

No changes to the main rates and thresholds for Stamp Duty Land Tax have been announced at Budget 2011. The Government has announced changes to the SDLT rules for bulk purchases of residential properties from Royal Assent to Finance Bill 2011.

<b>Stamp Duty Land Tax</b>				
<b>Rate</b>	<b>Threshold 2010-11</b>		<b>Threshold 2011-12</b>	
	<b>Residential</b>	<b>Non-residential</b>	<b>Residential</b>	<b>Non-residential</b>
0%	£0 – 125,000	£0 – 150,000	£0 – 125,000	£0 – 150,000
1%	£125,001 – 250,000	£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	£250,001 – 500,000
4%	Over £500,000	Over £500,000	£500,001 - £1,000,000	Over £500,000
5%	n/a	n/a	Over £1,000,000	n/a

<b>Stamp Duty and Stamp Duty Reserve Tax</b>		
<b>Band</b>	<b>2010-11</b>	<b>2011-12</b>
Standard rate	0.5%	0.5%
Higher rate	1.5%	1.5%

## BUSINESS AND FINANCIAL SERVICES

The June Budget 2010 announced a reform of corporation tax, including changes to rates and allowances. These are set out below. **Budget 2011 announces further changes to corporate tax from April 2011:**

- The main rate of corporation tax will be reduced by a further 1%, in addition to the reductions announced at the June Budget. This will take the rate from 28% to 26% in April 2011.
- The Supplementary Charge on profits from UK oil and gas production will increase from 20% to 32% from 24 March 2011
- The Bank Levy rate will increase to 0.078 from January 2012.
- The R&D tax credit SME rate will increase from 175% to 200%, with a further increase to 225% in April 2012, subject to State aid approval.
- The rate of income tax relief available through the Enterprise Investment Scheme will increase to 30%.

<b>Corporation tax - rates</b>			
Level of profits	Financial Year 2010	Financial Year 2011	Financial Year 2012
£0 - £300,000 - small profits rate	21%	20%	TBA
£300,001 - £1,500,000	Marginal rate	Marginal rate	Marginal rate
Marginal rate fraction	7/400 <sup>th</sup>	3/200 <sup>th</sup>	TBA
£1,500,001 or more – main rate	28%	26%	25%
North sea oil and gas ring fenced profits*	See below	See Below	See Below
Open ended investment companies and authorised unit trusts**	See below	See below	See Below

\*For North Sea oil and gas ring fenced profits the main rate is 30% and the small profits rate is 19%. The marginal relief ring fenced fraction is 11/400ths.

\*\*For Open ended investment companies and authorised unit trusts the applicable corporation tax rate is 20%.



<b>Corporation tax - allowances and reliefs</b>			
	<b>Financial Year 2010</b>	<b>Financial Year 2011</b>	<b>Financial Year 2012</b>
Plant and machinery: Main rate expenditure	20%	20%	18%
Plant and machinery: Special rate expenditure	10%	10%	8%
Annual investment allowance	100,000	100,000	25,000
Energy saving and water efficient products	100%	100%	100%
R&D tax credits SME scheme	175%	200% (Increased rate is subject to State aid approval, and will not be applied until approval is received)	225% (Subject to State aid approval).
R&D tax credits Large companies scheme	130%	130%	130%
Film tax relief	100% (limited budget film 80% (large budget film))	100% (limited budget film 80% (large budget film))	100% (limited budget film 80% (large budget film))

<b>Bank Levy</b>				
	<b>1 Jan 11- 28 Feb 11</b>	<b>1 Mar11 –30 April 11</b>	<b>1 May 11–31 Dec 11</b>	<b>1 Jan 12 Onwards</b>
Short-term chargeable liabilities	0.05%	0.1%	0.075%	0.078%
Long-term chargeable equity and Liabilities	0.025%	0.05%	0.0375%	0.039%

<b>UK oil and gas taxes</b>		
	2010-11	2011-12
Petroleum revenue tax	50%	50%
Ring fence corporation tax*	See below	See below
Supplementary charge	20%	32% on or after 24 March 2011

\*For North Sea oil and gas ring fenced profits the main rate is 30% and the small profits rate is 19%. The marginal relief ring fenced fraction is 11/400ths.

<b>Business rates</b>		
	2010-11	2011-12
England standard multiplier	41.4p	43.3p
England small business multiplier	40.7p	42.6p

## EXCISE DUTIES

Budget 2011 confirms that alcohol duty rates will increase by 2 percent above inflation on 28 March 2011. The rates are set out in the table below. Budget 2011 also confirms changes to beer duty regime announced to come into effect in October 2011. Including:

- A new additional duty on high-strength beers (above 7.5 per cent abv) to be 25% of the general beer duty rate; and
- A reduced rate of duty on lower strength beers (at or below 2.8 % abv and above 1.2% abv) to be 50 per cent of the general beer duty rate.

<b>Alcohol duty</b>			
	<b>Duty rate from 29 March 2010</b>	<b>Duty rate from 30 June 2010</b>	<b>Duty rate from 28 March 2011</b>
	<b>Rate per litre of pure alcohol</b>		
Spirits	23.80	23.80	25.52
Spirits-based RTDs	23.80	23.80	25.52
Wine and made-wine: Exceeding 22% abv	23.80	23.80	25.52
	<b>Rate per hectolitre per cent of alcohol in the beer</b>		
Beer	17.32	17.32	18.57
	<b>Rate per hectolitre of product</b>		
Still cider and perry: exceeding 1.2% - not exceeding 7.5% abv.	36.01	33.46	35.87
Still cider and perry: Exceeding 7.5% - less than 8.5% abv.	54.04	50.22	53.84
Sparkling cider and perry: exceeding 1.2% - less than 5.5% abv.	36.01	33.46	35.87
Sparkling cider and perry: Exceeding 5.5% - less than 8.5% abv.	217.83	217.83	233.55
Wine and made-wine: Exceeding 1.2% - not exceeding 4% abv.	69.32	69.32	74.32
Wine and made-wine: Exceeding 4% - not exceeding 5.5% abv.	95.33	95.33	102.21
Still wine and made-wine: Exceeding 5.5% - not exceeding 15% abv.	225.00	225.00	241.23
Wine and made-wine: Exceeding 15% - not exceeding 22% abv.	299.97	299.97	321.61
Sparkling wine and made-wine: Exceeding 5.5% - less than 8.5% abv.	217.83	217.83	233.55
Sparkling wine and made-wine: 8.5% - not exceeding 15% abv.	288.20	288.20	308.99

Budget 2011 confirms that tobacco duty rates will increase by 2 percent above inflation. Budget 2011 also announced that:

- The specific and ad valorem duty on cigarettes will be rebalanced .
- The duty on hand-rolling tobacco will increase the duty by an additional 10 per cent.

These changes will come into effect from 6pm on 23 March 2011. The rates are set out in the table below.

<b>Tobacco duty</b>				
Tobacco product	From 6pm 24 March 2010	Ad valorem element	From 6pm 23 March 2011	Ad valorem element
Cigarettes	£119.03 per 1000 cigarettes	24% of retail price	£154.95 per 1000 cigarettes	16.5% of retail price
Cigars	£180.28/kg	n/a	£193.29/kg	N/A
Hand rolling tobacco	£129.59/kg	n/a	£151.90/kg	N/A
Other smoking tobacco and chewing tobacco	£79.26/kg	n/a	£84.98/kg	N/A

Budget 2011 confirmed that gaming duty bands will increase in line with inflation for accounting periods starting on or after 1 April 2011 and all rates of amusement machine licence duty will be increased in line with inflation from 4pm on 25 March 2011.

<b>Gambling duty</b>		
	2010-11	2011-12
<b>Bingo duty</b>		
Percentage of bingo promotion profits	20%	20%
<b>General betting duty</b>		
Percentage of 'net stake receipts' (essentially the gross profits from bookmaking) for fixed odds bets and totalisator bets on horse or dog races	15%	15%
Percentage of 'net stake receipts' for financial spread bets	3%	3%
Percentage of 'net stake receipts' for all other spread bets	10%	10%
<b>Lottery duty</b>		
Percentage of the price paid or payable on taking a ticket or chance in a lottery.	12%	12%
<b>Remote gaming duty</b>		
Percentage of remote gaming profits	15%	15%
<b>Pool betting duty</b>		
Percentage on net pool betting receipts	15%	15%

<b>Gambling duty (continued)</b>			
<b>Amusement machine licence duty</b>			
Band	Description	12 month premises based licence –old rate	12 month premises based licence – new rate*
A	A gaming machine that does not fall into any other category	£5805	£6110
B1	A gaming machine in respect of which the amount required to play the game once does not exceed £2, and the value of the prize that may be won in any one game does not exceed £4,000 in money or as a non-monetary prize.	£2905	£3055
B2	A gaming machine in respect of which the amount required to play the game once does not exceed £100, and the value of the prize that may be won in any one game does not exceed £500 in money or as a non-monetary prize.	£2285	£2405
B3	A gaming machine in respect of which the amount required to play the game once does not exceed £1, and the value of the prize that may be won in any one game does not exceed £500 in money or as a non-monetary prize.	£2285	£2405
B4	A gaming machine in respect of which the amount required to play the game once does not exceed £1, and the value of the prize that may be won in any one game does not exceed £250 in money or as a non-monetary prize.	£2075	£2185
C	A gaming machine in respect of which the amount required to play the game once does not exceed £1, and the value of the prize that may be won in any one game does not exceed £70 in money or as a non-monetary prize; and A gaming machine in respect of which the amount required to play the game once does not exceed 5p.	£860	£905
*12 month premises based licence – new rates apply to licence applications received by HMRC after 4pm on 25 March 2011.			

<b>Gaming duty</b>					
Tax rate	15%	20%	30%	40%	50%
Gross gaming yield	£1,975,000	£1,361,500	£2,385,000	£5,033,500	Remainder
<b>New Figures for accounting periods beginning on or after 1 April 2011</b>					
Tax rate	15%	20%	30%	40%	50%
Gross gaming yield	£2,067,000	£1,425,000	£2,496,000	£5,268,000	Remainder

<b>Insurance premium Tax</b>		
	January 2011-April 2011	April 2011-12
Standard rate	6%	6%
Higher rate	20%	20%

June Budget 2010 confirmed that climate change levy rates will increase in line with inflation in 2011-12, as set out in the table below. Budget 2011 announced that climate change levy rates will also increase in line with inflation in 2012-13.

<b>Climate Change Levy</b>			
Commodity	Rates from 1 April 2009	Rates from 1 April 2011	Rates from 1 April 2012
Electricity	£0.00470 per kilowatt hour	£0.00485 per kilowatt hour	£0.00509 per kilowatt hour
Natural gas (Great Britain)	£0.00164 per kilowatt hour	£0.00169 per kilowatt hour	£0.00177 per kilowatt hour
Natural gas (Northern Ireland)	£0.00 (exempt)	£0.00059 per kilowatt hour	£0.00062 per kilowatt hour
Liquefied petroleum gas	£0.01050 per kilogram	£0.01083 per kilogram	£0.01137 per kilogram
Any other taxable commodity	£0.01281 per kilogram	£0.01321 per kilogram	£0.01387 per kilogram

Budget 2011 announced that the aggregates levy will be frozen at £2.00 per tonne from 1 April 2011, with the planned increase to £2.10 deferred to 1 April 2012.

<b>Aggregates levy</b>		
	From 1 April 2009	From 1 April 2012
Aggregates levy	£2.00/tonne	£2.10/tonne

June Budget 2010 announced an £8 increase in the standard rate of landfill tax from 1 April 2012. No further changes to the rates were announced at Budget 2011.

<b>Landfill tax</b>			
	<b>2010-11</b>	<b>2011-12</b>	<b>From 1 April 2012</b>
Standard rate	£48/tonne	£56/tonne	£64/tonne
Lower rate	£2.50/tonne	£2.50 /tonne	£2.50 /tonne

Budget 2011 announced that an increase of APD rates by RPI in April 2011 will be deferred until April 2012.

<b>Air passenger duty</b>				
<b>Bands (approximate distance in miles from the UK)</b>	<b>Reduced rate (lowest class of travel)</b>		<b>Standard rates (other than the lowest class of travel)</b>	
	<b>From 1 Nov 09</b>	<b>From 1 Nov 10</b>	<b>From 1 Nov 09</b>	<b>From 1 Nov 10</b>
Band A (0 – 2000 miles)	£11	£12	£22	£24
Band B (2001 – 4000 miles)	£45	£60	£90	£120
Band C (4001 – 6000 miles)	£50	£75	£100	£150
Band D (over 6000 miles)	£55	£85	£110	£170

Budget 2011 announced that:

- the planned 1-pence-per litre Fuel Duty escalator will be abolished;
- the RPI increase deferred to January 2012;
- and there will be an additional 1 pence cut in the rate of fuel duty from 6pm on 23<sup>rd</sup> March.

The 2012-13 RPI increase will be deferred from April 2012 to August 2012.

<b>Fuel duty - Pence per litre (unless stated)</b>			
	<b>Current</b>	<b>On and after 6pm 23 March</b>	<b>On and after 1 January 2012</b>
<b>Light oils</b>			
Unleaded petrol	58.95	57.95	60.97
Light oil (other than unleaded petrol or aviation gasoline )	68.67	67.67	70.69
Aviation gasoline (Avgas)	38.35	37.70	39.66
Light oil delivered to an approved person for use as furnace fuel	10.88	10.70	11.26

<b>Fuel duty - Pence per litre (unless stated) (Continued)</b>			
	<b>Current</b>	<b>On and after 6pm 23 March</b>	<b>On and after 1 January 2012</b>
<b>Heavy oils</b>			
Heavy oil (Diesel)	58.95	57.95	60.97
Marked gas oil	11.33	11.14	11.72
Fuel oil	10.88	10.70	11.26
Heavy oil other than fuel oil, gas oil or kerosene used as fuel.	10.88	10.70	11.26
Kerosene to be used as motor fuel off road or in an excepted vehicle	11.33	11.14	11.72
<b>Biofuels</b>			
Bio-ethanol	58.95	57.95	60.97
Biodiesel	58.95	57.95	60.97
Biodiesel for non road use	11.33	11.14	11.72
Biodiesel blended with gas oil not for road fuel use for non road use	11.33	11.14	11.72
<b>Road fuel gases</b>			
Road fuel Natural gas including biogas	26.15/kg	24.70/kg	29.07/kg
Liquefied petroleum gas(LPG)	33.04/kg	31.61/kg	37.34/kg

Budget 2011 announced that from 1 April 2011, VED rates will increase in line with RPI inflation and Heavy Goods Vehicle rates will be frozen.

<b>Vehicle Excise Duty bands and rates for cars registered on or after March 2001 (graduated VED)</b>				
<b>VED band</b>	<b>CO<sub>2</sub> emissions (g/km)</b>	<b>2010-11</b>	<b>2011-12<sup>2</sup></b>	
		<b>Standard Rate<sup>1</sup></b>	<b>Standard Rate<sup>1</sup></b>	<b>First Year Rate<sup>1</sup></b>
A	Up to 100	£0	£0	£0
B	101-110	£20	£20	£0
C	111-120	£30	£30	£0
D	121-130	£90	£95	£0
E	131-140	£110	£115	£115
F	141-150	£125	£130	£130
G	151-165	£155	£165	£165
H	166-175	£180	£190	£265
I	176-185	£200	£210	£315
J	186-200	£235	£245	£445
K <sup>3</sup>	201-225	£245	£260	£580
L	226-255	£425	£445	£790
M	Over 255	£435	£460	£1000

<sup>1</sup>Alternative fuel discount: 2010-11 onwards £10 for all cars

<sup>2</sup>2011-12 rates take effect from 1st April 2011

<sup>3</sup>Includes cars emitting over 225g/km registered before 23 March 2006

**Vehicle Excise Duty bands and rates for private and light good vehicles registered before March 2001 (pre-graduated VED)**

<b>Engine size</b>	<b>2010-11</b>	<b>2011-12</b>
1549cc and below	£125	£130
Above 1549cc	£205	£215

No changes to the main rates of VAT have been announced at Budget 2011. VAT thresholds have been increased in line with inflation. Budget 2011 also confirmed that VAT fuel scale changes will be revalorised with effect from 1 May 2011, as set out in the tables below.

<b>Value Added Tax (VAT)</b>		
	<b>January 2011-April 2011</b>	<b>April 2011-12</b>
Standard rate	20%	20%
Reduced rate	5%	5%
Zero rate	0%	0%
Exempt	n/a	n/a

<b>Value Added Tax (VAT) – Registration and Deregistration thresholds</b>		
	<b>From April 2010</b>	<b>From April 2011</b>
VAT -registration threshold	70,000	73,000
VAT-deregistration threshold	68,000	71,000



**Value Added Tax (VAT) – Fuel scale charges**

**Businesses must use these new VAT fuel scale charges from the start of their next prescribed accounting period beginning on or after 1 May 2011.**

<b>CO<sub>2</sub> band</b>	<b>VAT fuel scale charge 12 month period, £</b>	<b>VAT on 12 month charge, £</b>	<b>VAT exclusive 12 month charge, £</b>
120 or less	630.00	105.00	525.00
125	945.00	157.50	787.50
130	1,010.00	168.33	841.67
135	1,070.00	178.33	891.67
140	1,135.00	189.17	945.83
145	1,200.00	200.00	1,000.00
150	1,260.00	210.00	1,050.00
155	1,325.00	220.83	1,104.17
160	1,385.00	230.83	1,154.17
165	1,450.00	241.67	1,208.33
170	1,515.00	252.50	1,262.50
175	1,575.00	262.50	1,312.50
180	1,640.00	273.33	1,366.67
185	1,705.00	284.17	1,420.83
190	1,765.00	294.17	1,470.83
195	1,830.00	305.00	1,525.00
200	1,890.00	315.00	1,575.00
205	1,955.00	325.83	1,629.17
210	2,020.00	336.67	1,683.33
215	2,080.00	346.67	1,733.33
220	2,145.00	357.50	1,787.50
225 or more	2,205.00	367.50	1,837.50

**Value Added Tax (VAT) – Fuel scale charges**

**Businesses must use these new VAT fuel scale charges from the start of their next prescribed accounting period beginning on or after 1 May 2011.**

<b>CO<sub>2</sub> band</b>	<b>VAT fuel scale charge 3 month period, £</b>	<b>VAT on 3 month charge, £</b>	<b>VAT exclusive 3 month charge, £</b>
120 or less	157.00	26.17	130.83
125	236.00	39.33	196.67
130	252.00	42.00	210.00
135	268.00	44.67	223.33
140	283.00	47.17	235.83
145	299.00	49.83	249.17
150	315.00	52.50	262.50
155	331.00	55.17	275.83
160	346.00	57.67	288.33
165	362.00	60.33	301.67
170	378.00	63.00	315.00
175	394.00	65.67	328.33
180	409.00	68.17	340.83
185	425.00	70.83	354.17
190	441.00	73.50	367.50
195	457.00	76.17	380.83
200	472.00	78.67	393.33
205	488.00	81.33	406.67
210	504.00	84.00	420.00
215	520.00	86.67	433.33
220	536.00	89.33	446.67
225 or more	551.00	91.83	459.17

<b>Value Added Tax (VAT) – Fuel scale charges</b>			
<b>Businesses must use these new VAT fuel scale charges from the start of their next prescribed accounting period beginning on or after 1 May 2011.</b>			
<b>CO<sub>2</sub> band</b>	<b>VAT fuel scale charge 1 month period, £</b>	<b>VAT on 1 month charge, £</b>	<b>VAT exclusive 1 month charge, £</b>
120 or less	52.00	8.67	43.33
125	78.00	13.00	65.00
130	84.00	14.00	70.00
135	89.00	14.83	74.17
140	94.00	15.67	78.33
145	99.00	16.50	82.50
150	105.00	17.50	87.50
155	110.00	18.33	91.67
160	115.00	19.17	95.83
165	120.00	20.00	100.00
170	126.00	21.00	105.00
175	131.00	21.83	109.17
180	136.00	22.67	113.33
185	141.00	23.50	117.50
190	147.00	24.50	122.50
195	152.00	25.33	126.67
200	157.00	26.17	130.83
205	162.00	27.00	135.00
210	168.00	28.00	140.00
215	173.00	28.83	144.17
220	178.00	29.67	148.33
225 or more	183.00	30.50	152.50

Where the CO<sub>2</sub> emission figure is not a multiple of 5, the figure is rounded down to the next multiple of 5 to determine the level of the charge. For a bi-fuel vehicle which has two CO<sub>2</sub> emissions figures, the lower of the two figures should be used. For cars which are too old to have a CO<sub>2</sub> emissions figure, you should identify the CO<sub>2</sub> band based on engine size, as follows:

If its cylinder capacity is 1,400cc or less, use CO<sub>2</sub> band 140;

If its cylinder capacity exceeds 1,400cc but does not exceed 2,000cc, use CO<sub>2</sub> band 175;

If its cylinder capacity exceeds 2,000cc, use CO<sub>2</sub> band 225 or above.