

# Tax Table 2009/2010

For use in the following **ifs** examinations from 1 September 2009 to 31 August 2010:

Certificate for Financial Advisers (CeFA<sup>®</sup>)  
 Certificate in Mortgage Advice and Practice (CeMAP<sup>®</sup>)  
 Customer Services Professional (CSP)  
 Certificate in Regulated Equity Release (CeRER<sup>®</sup>)  
 Advanced CeMAP (Adv CeMAP<sup>®</sup>)  
 Certificate in Regulated Customer Care (CeRCC)  
 Diploma for Financial Advisers (DipFA)  
 Certificate in Long-term care Insurance (LTCl<sup>®</sup>)

This tax table provides information relating to the 2009/2010 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 37,400
Higher rate	40%	37,401+

## Personal Allowances

	Age on 5.4.2009	£
Personal	Under 65	6,475
	65 - 74	9,490 (a)
	75+	9,640(a)
Married couples age allowance	75+	6,965(a)*

(a) If income exceeds £22,900, these age-related allowances are reduced by £1 for every £2 of additional income.

\* Relief restricted to 10%.

## Inheritance Tax

	Rate	£
Annual exemption		3,000
Small gifts exemption		250
Gross transfer		
First £325,000	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%	10,100
Chargeable gains	18%	

## Stamp Duty Land Tax

### Until 31 December 2009

Rate	Value of property £
0%	0-175,000
1%	Over 175,000 – 250,000
3%	Over 250,000 – 500,000
4%	Over 500,000

### From 1 January 2010

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

<b>Class 1</b> (employees)	Contracted-in	Contracted-out
Earnings up to £110 per week	Nil	Nil
Earnings over £110 per week	Nil on first £110 + 11% on next £734 + 1% on all over £844	Nil on first £110 + 9.4% on next £734 + 1% on all over £844
<b>Class 2</b> (self-employed)		
Over £5,075 annual profits	£2.40 per week (flat rate)	
<b>Class 3</b> (voluntary)	£12.05 per week (flat rate)	
<b>Class 4</b> (self-employed)		
On annual profits of	£5,715 to £43,875 pa	8.0%
On all annual profits above	£43,875 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 £130.00 per week

Couple £198.45 per week

*Capital (savings, but not the value of the house) over £10,000 is deemed to produce income of £1 per week for every £500 (or part) over £10,000.*

## Pension Credit – savings credit

Age 65 and over:

Single person Capped at £20.40 per week

Couple Capped at £27.03 per week