

TAXATION IN THE UNITED KINGDOM

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Taxation in the United Kingdom may involve payments to a minimum of two different levels of government.

Central government revenues come primarily from income tax, National Insurance contributions, value added tax, corporation tax and fuel duty.

Local government revenues come primarily from grants from central government funds, business rates in England and Wales, Council Tax and increasingly from fees and charges such as those from on-street parking.

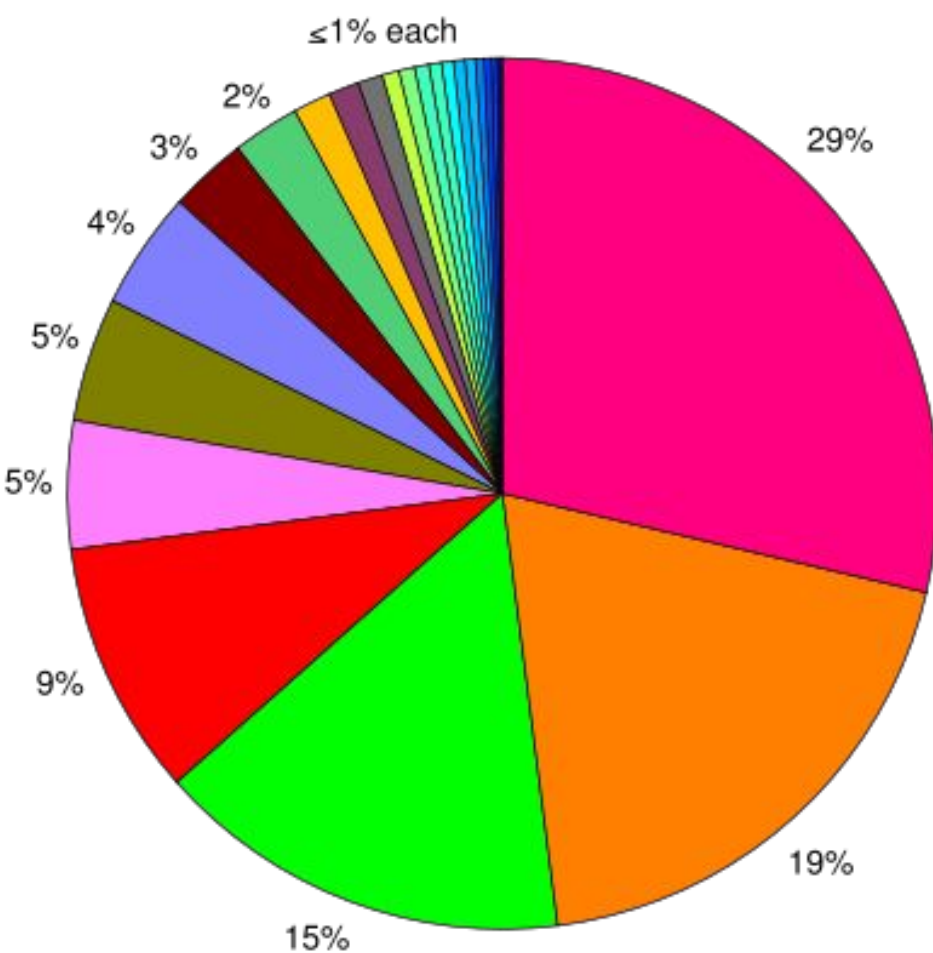
on-street parking – стоянка на вулиці

fuel duty – збір за паливо

THE TAX YEAR

- ◉ The tax year in the UK, which applies to income tax and other personal taxes, runs from 6 April in one year to 5 April the next (for income tax purposes).
- ◉ Hence the 2010-2011 tax year ran from 6 April 2010 to 5 April 2011.





Aggregates levy, £0.4bn
Climate change levy, £0.7bn
Landfill tax, £1.1bn
Betting and gaming duties, £1.5bn
Petroleum revenue tax, £1.7bn
Air passenger duty, £2.1bn
Spirits duties, £2.3bn
Insurance premium tax, £2.4bn
Customs duties and levies, £2.5bn
Wine duties, £2.9bn
Inheritance tax, £3.2bn
Beer and cider duties, £3.4bn
Capital gains tax, £5.0bn
Vehicle excise duties, £6.1bn
Tobacco duties, £7.6bn
Stamp duties, £13.5bn
Other taxes and royalties, £15.7bn
Business rates, £23.7bn
Council tax, £24.9bn
Fuel duties, £25.7bn
Corporation tax, £51.3bn
Value added tax, £83.8bn
National insurance, £104.6bn
Income tax, £155.0bn

збір із звалищ (відходів)

збір з парі та ігри

збір на дохід від нафти

збір на алкоголь

податок на спадщину

збір на пиво і сидр

податок на приріст капіталу

гербовий збір

INCOME TAX

- Income tax forms the single largest source of revenues collected by the government. Each person has an income tax personal allowance, and income up to this amount in each tax year is free of tax for everyone.
- For 2010-2011 the tax allowance is £7,445.



Different rates of income tax (as of 2010-2011):

Rate	Dividend income	Savings income	Other income (inc employment)	Band (above any personal allowance)
Lower rate	N/A	10%	N/A	£0 - £7,445 applies only if total income falls in this band
Basic rate	10%	20%	20%	£7,445 - £37,400
Higher rate (Lower Band)	32.5%	40%	40%	over £37,400 - £100,000
Regressive rate	56.25%	60%	60%	over £100,000 - £114,890
Higher rate (Upper Band)	32.5%	40%	40%	over £114,890 - £150,000
Additional rate	42.5%	50%(45% from Apr-2013)	50%(45% from Apr-2013)	over £150,000

NATIONAL INSURANCE CONTRIBUTIONS

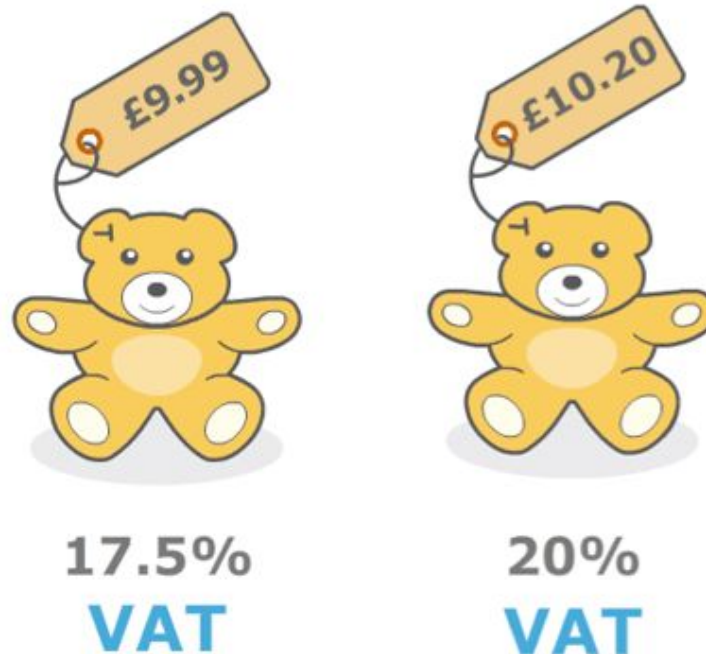
- ◉ The second largest source of government revenues is National Insurance contributions (NICs). NICs are payable by:
- ◉ *Employer*: 12.8% on salary above GBP 5,715.
- ◉ *Employee*: 11% on salary of GBP 5,715- GBP 43,875, with additional 1% for salary above GBP 43,875.
- ◉ *Self employed* pay 8% for income of GBP 5,715- GBP 43,875 with additional 1% on income exceeding GBP 43,875.



VALUE ADDED TAX

The third largest source of government revenues is value added tax (VAT), charged at 20% on supplies of goods and services. It is therefore a tax on consumer expenditure.

Certain goods and services are exempt from VAT, and others are subject to VAT at a lower rate of 5% (the reduced rate, such as domestic gas supplies) or 0% ("zero-rated", such as most food and children's clothing).

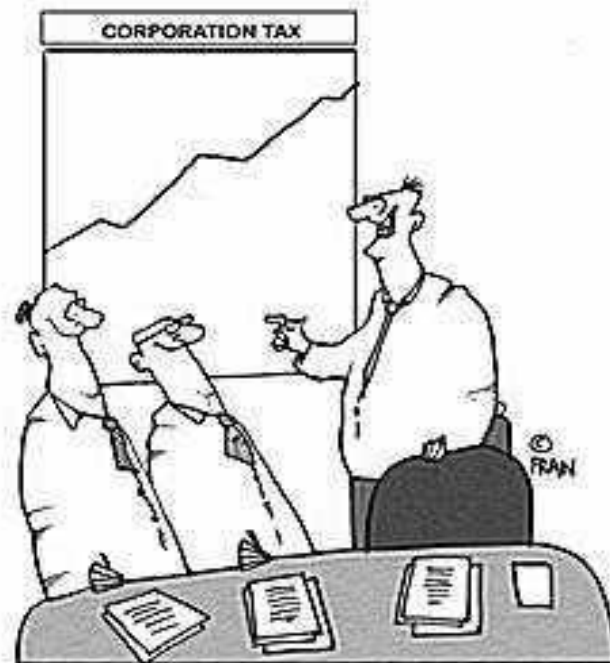


On 4 January 2011 VAT was raised from 17, 5% to 20%

To be exempt – бути звільненим

CORPORATION TAX

- ◉ Corporation tax forms the fourth-largest source of government revenue (after income, NIC, and VAT).
- ◉ UK's corporate tax rate for 2010-2011 is 28%.
- ◉ For UK resident companies with annual profits below GBP 300,000 the tax rate is 21%.



FUEL DUTY

The UK there is a fuel duty that is applied to all Hydrocarbon fuels, including unleaded petrol, diesel, biodiesel, bioethanol and other fuels that are used in cars.

The table below provides details of Fuel Duty rates on some fuel types.

The rates of duty are in pounds sterling per litre unless otherwise stated.

Fuel	On and after 23 March 2011	On and after 1 August 2012
Unleaded petrol	0.5795	0.6097
Heavy oil (diesel)	0.5795	0.6097
Biodiesel	0.5795	0.6097
Bioethanol	0.5795	0.6097

COUNCIL TAX

Council Tax is the system of local taxation used in England, Scotland and Wales to part fund the services provided by local government in each country.

The basis for the tax is residential property, with discounts for single people. As of 2011, the average annual levy on a property in England was £1,196.

Value	Average
up to £40,000	£845
£40,001 to £52,000	£986
£52,001 to £68,000	£1,127
£68,001 to £88,000	£1,268
£88,001 to £120,000	£1,550
£120,001 to £160,000	£1,832
£160,001 to £320,000	£2,113
£320,001 and above	£2,536

Council Tax - Муніципальний податок

CLIMATE CHANGE LEVY

The climate change levy (CCL) is a tax on energy delivered to non-domestic users in the United Kingdom. Its aim is to provide an incentive to increase energy efficiency and to reduce carbon emissions.

With effect from 1 April 2012 the *rates* are:

Electricity	0.509p per kWh
Mains Gas	0.177p per kWh
LPG	1.137p per kg
Any other "taxable commodity"	1.387p per kg



The End