

UK TAX RATES

INCOME TAX RATES 2008/09

(taxable income after personal allowances)	
20% on first	£34,800
40% on income over	£34,801
Dividends for basic rate Taxpayers	10%
Dividends for higher rate Taxpayers	32.5%
Foreign dividends taxable on remittance basis	40%
Other investment income for basic rate Taxpayers *	20%
Other investment income for higher rate Taxpayers	40%
Trusts	
- General	40%
- Discretionary - Dividends	32.5%

*10% starting rate limit for savings income £2,320. Only applicable if taxable non-savings income is below this limit.

INCOME TAX RATES 2007/08

(taxable income after personal allowances)	
10% on first	£2,230
22% on next	£32,370
40% on income over	£34,600
Dividends for basic rate Taxpayers	10%
Dividends for higher rate Taxpayers	32.5%
Other investment income for lower rate Taxpayers	10%
Other investment income for basic rate Taxpayers	20%
Other investment income for higher rate Taxpayers	40%
Trusts	
- General	40%
- Discretionary - Dividends	32.5%

INCOME TAX RELIEFS

	2008/09	2007/08
Personal allowances		
- Basic	£6,035	£5,225
- Age allowance 65-74	£9,030	£7,550
- Age allowance 75 & over	£9,180	£7,690
Income limit for age-related allowances*	£21,800	£20,900
Blind persons allowance	£1,800	£1,730

*Allowances reduced by £1 for every £2 over this limit.

CAPITAL GAINS TAX

	2008/09	2007/08
Rates of Tax		
- Individuals	18%	10/20/40%
- Trusts	18%	40%
Annual Exemptions		
- Individuals	£9,600	£9,200
- Trustees	£4,800	£4,600

UK CORPORATION TAX

	2008/09	2007/08
Small Companies Rate (£0 - £300,000)	21%	20%
Marginal Limit (£300,001 - £1,500,000)	29.75%	32.5%
Main Rate, above £1,500,000	28%	30%

NATIONAL INSURANCE (Figures in brackets are for 2007/08)

	2008/09		2007/08	
	Employee	Employer	Employee	Employer
Class 1				
Not Contracted out				
£0 - £105 (£100) weekly	Nil	Nil	Nil	Nil
£105.01 - £770 (£670) weekly	11%	12.8%	11%	12.8%
Over £770 (£670) weekly	1%	12.8%	1%	12.8%

Class 1	2008/09			2007/08		
	Employee	Employer		Employee	Employer	
Contracted out		SR	MP		SR	MP
£0 - £105 (£100) weekly	Nil	Nil	Nil	Nil	Nil	Nil
£105.01 - £770 (£670) weekly	9.4%	9.1%	11.4%	9.4%	9.1%	11.4%
Over £770 (£670) weekly	1%	12.8%	12.8%	1%	12.8%	12.8%

SR - Salary related scheme MP - Money purchase scheme

	2008/09	2007/08
Class 1A and Class 1B	12.8%	12.8%
Class 2 - Per week on annual earnings over £4,825 (£4,635)	£2.30	£2.20
Class 3 - Voluntary per week	£8.10	£7.80
Class 4 - Self employed individuals		
- £0 - £5,435 (£5,225)	Nil	Nil
- £5,435 - £40,040 (£34,840)	8%	8%
- Over £40,040 (£34,840)	1%	1%

INHERITANCE TAX

	2008/09	2007/08
Threshold	£312,000	£300,000
Annual Exemption	£3,000	£3,000
Death Rate	40%	40%
Lifetime Rate	20%	20%

VAT

	2008/09	2007/08
Standard Rate	17.5%	17.5%
Registration Threshold	£67,000	£64,000
Flat Rate Scheme Taxable Turnover Limit	£150,000	£150,000

US FEDERAL TAX RATES 2007

Filing status	Std Dedctn	RATE					
		10%	15%	25%	28%	33%	35%
Head of household	\$7,850	\$0 - \$11,200	\$11,200 - \$42,650	\$42,650 - \$110,100	\$110,100 - \$178,350	\$178,350 - \$349,700	Over \$349,700
Married filing jointly	\$10,700	\$0 - \$15,650	\$15,650 - \$63,700	\$63,700 - \$128,500	\$128,500 - \$195,850	\$195,850 - \$349,700	Over \$349,700
Married filing separately	\$5,350	\$0 - \$7,825	\$7,825 - \$31,850	\$31,850 - \$64,250	\$64,250 - \$97,925	\$97,925 - \$174,850	Over \$174,850
Single	\$5,350	\$0 - \$7,825	\$7,825 - \$31,850	\$31,850 - \$77,100	\$77,100 - \$160,850	\$160,850 - \$349,700	Over \$349,700

US FEDERAL TAX PROJECTED RATES 2008

Filing status	Std Dedctn	RATE					
		10%	15%	25%	28%	33%	35%
Head of household	\$8,000	\$0 - \$11,450	\$11,450 - \$43,650	\$43,650 - \$112,650	\$112,650 - \$182,400	\$182,400 - \$357,700	Over \$357,700
Married filing jointly	\$10,900	\$0 - \$16,050	\$16,050 - \$65,100	\$65,100 - \$131,450	\$131,450 - \$200,300	\$200,300 - \$357,700	Over \$357,700
Married filing separately	\$5,450	\$0 - \$8,025	\$8,025 - \$32,550	\$32,550 - \$65,725	\$65,725 - \$100,150	\$100,150 - \$178,850	Over \$178,850
Single	\$5,450	\$0 - \$8,025	\$8,025 - \$32,550	\$32,550 - \$78,850	\$78,850 - \$164,550	\$164,550 - \$357,700	Over \$357,700

Dividends	2008	2007
Qualified	15%	15%
Other	Ordinary income rate	

Tax On Capital Gains	2008	2007
Long term	15%	15%
Short term	Ordinary income rate	

SELF EMPLOYMENT & SOCIAL SECURITY TAXES 2007 & 2008

	Rate	
OASDI (Employer, Employee & Self-Employed)	12.4%	
Medicare (Employer, Employee & Self-Employed)	2.9%	
Combined (Employer, Employee & Self-Employed)	15.3%	
OASDI maximum base	2007	\$97,500
	2008	\$102,000

*For social security taxes the OASDI and Medicare expenses are split evenly between employer and employee

Exemptions	2008	2007
	\$3,500	\$3,400

US CORPORATE TAX 2007 & 2008

Taxable Income	Tax on lower amount \$	Rate on Excess %
\$0 - \$50,000	0	15
\$50,001 - \$75,000	7,500	25
\$75,001 - \$100,000	13,750	34
\$100,001 - \$335,000	22,250	39
\$335,001 - \$10,000,000	113,900	34
\$10,000,001 - \$15,000,000	3,400,000	35
\$15,000,001 - \$18,333,333	5,150,000	38
Over \$18,333,333		35

* Exception to these tax rates for personal service corporations

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TAX TABLES
 UK 2008/09 & 2007/08
 US 2008 & 2007