



# Corporation Tax, VAT & Capital Allowances

## CORPORATION TAX

Financial Year to		<u>31st March 2013</u>	<u>31st March 2012</u>
Taxable Profits			
First	£ 300,000	20%	20%
Next	£1,200,000	25%	27.5%
Over	£1,500,000	24%	26%

## VAT

From **4th January 2011**

<b>Standard Rate</b>	20%
<b>VAT Fraction</b>	1/6
<b>Reduced Rate</b>	5%

### Current Turnover Limits

Registration—last 12 months or next 30 days	£77,000 from 1st April 2012
Deregistration—next year under	£75,000 from 1st April 2012
Annual Cash Accounting Scheme	£1,350,000
Flat Rate Scheme	£150,000

## CAPITAL ALLOWANCES

### **Plant and Machinery**

Investment for use in Enterprise Zones, energy saving and environmentally beneficial equipment, new zero-emission goods vehicles, low CO<sub>2</sub> emission (up to 110g/km) cars, natural gas/hydrogen refuelling equipment.

first year allowance (FYA)	<b>100%</b>
Annual Investment Allowance (AIA)	<b>100%</b>
- on first £25,000 of investment	
Excludes cars and expenditure already qualifying for 100% FYA	
Writing Down Allowance on expenditure not qualifying for AIA or FYA:	
Long-life assets, integral features of buildings, cars over 160g/km	<b>8%*</b>
Other plant and machinery	<b>18%*</b>
Conversion of parts of business premises into flats, business premises renovation	
maximum initial allowance	<b>100%</b>

\* Transitional rules may apply