

PAYE and NIC's Rates and Limits

These rates and limits are for information only and professional advice should be taken before acting on any information contained here. No responsibility can be accepted for any losses as a result of any action taken or not taken as consequence of the contents of the information shown here.

Income tax	2005/06	2006/07	2007/08
Starting rate	10%	10%	10%
Basic rate	22%	22%	22%
Higher rate	40%	40%	40%
Starting rate band £	1 – 2,090	1 – 2,150	1 – 2,230
Basic rate band £	2,091 – 32,400	2,151 – 33,300	2,231 – 34,600
Income tax reliefs			
Personal Allowance £	4,895	5,035	5,225
Age 65-74 £	7,090	7,280	7,550
Age 75 or over £	7,220	7,420	7,690
Pension Contributions - % Limit of net relevant earnings			
Age at 6 th April			
Up to 35	17.5%		
36-45	20.0%		
46-50	25.0%		
51-55	30.0%		
56-60	35.0%		
61-74	40.0%		
Subject to max. earnings £	105,600		
Annual Allowance £		215,000	225,000
Lifetime Allowance £		1,500,000	1,650,000

Authorised mileage rates	2005/06		2006/07		2007/08	
	Up to 10k	Over 10k	Up to 10k	Over 10k	Up to 10k	Over 10k
Car p/mile	40	25	40	25	40	25
Motorcycle p/mile	24	24	24	24	24	24
Bicycle p/mile	20	20	20	20	20	20
Additional Passengers p/mile	5	5	5	5	5	5

Advisory Fuel Rates p/mile	2005/06		2006/07			2007/08	
	To 30 Jun05	> 1 Ju05	To 30 Jun06	> 1 Ju06	> 1 Feb07	To 31 Jul07	>1 Aug07
Petrol – 1400cc or less	10	10	10	11	9	9	10
Petrol – 1401cc to 2000cc	12	12	12	13	11	11	13
Petrol – over 2000cc	14	16	16	18	16	16	10
Diesel – 1400cc or less	9	9	9	10	9	9	10
Diesel – 1401cc to 2000cc	9	9	9	10	9	9	10
Diesel – over 2000cc	12	13	13	14	12	12	13
LPG – 1400cc or less	7	7	7	7	6	6	6
LPG – 1401cc to 2000cc	8	8	8	8	7	7	8
LPG – over 2000cc	9	10	10	11	10	10	10

National Insurance	2005/06		2006/07		2007/08	
	Annual	Weekly	Annual	Weekly	Annual	Weekly
Lower earnings limit £	4,264	82	4,368	84	4,524	87
Earning threshold £	4,895	94	5,035	97	5,225	100
Upper Earnings limit £	32,760	630	33,540	645	34,840	670
Employee's contribution		Rebate		Rebate		Rebate
Not Contracted out	11%		11%		11%	
Contracted out	9.4%	1.6%	9.4%	1.6%	9.4%	1.6%
Employer's contribution						
Not Contracted out	12.8%		12.8%		12.8%	
Contracted out-Salary related						
Up to UEL	9.3%	3.5%	9.3%	3.5%	9.1%	3.7%
Over UEL	12.8%		12.8%		12.8%	
Contracted out-Money purchase						
Up to UEL	11.8%	1.0%	11.8%	1.0%	11.4%	1.4%
Over UEL	12.8%		12.8%		12.8%	
Class 1A Contributions	12.8%		12.8%		12.8%	
Class 1B Contributions	12.8%		12.8%		12.8%	
Class 2 rate						
Normal rate per week £	2.10		2.10		2.20	
Small earnings exception p.a. £	4,345		4,465		4,635	
Class 3 rate £ per week	7.35		7.55		7.80	
Class 4 rate	8%		8%		8%	
Lower profits limit £ p.a.	4,895		5,035		5,225	
Upper profits limit £ p.a.	32,760		33,540		34,840	
Above UPL	1%		1%		1%	