

TAX TABLES

For the 2019/2020 Tax Year

IMPORTANT NOTE

This document is provided for general information only. It does not take into account your personal circumstances or cover all UK taxes and allowances. The information we give is our understanding at January 2019. Figures for the 2019/20 tax year are, where not previously set, those announced in the UK Budget on 29 October 2018 and (in the case of Scottish Rates of Income Tax) the Scottish Budget on 12 December 2018.

You can find more information about UK tax and allowances on the gov.uk website.

Laws and tax rules can change, and if you are not sure how tax might affect you and any financial decisions you plan to make you should seek professional advice. Alliance Trust Savings does not give advice.

INCOME TAX

Rates for the UK, excluding Scotland for non-dividend, non-savings income only

| Tax band | 2019/20 | | 2018/19 | |
|-----------------|---------|------------------------------|---------|------------------------------|
| | Rate | On income* | Rate | On income* |
| Basic rate | 20% | up to £37,500 | 20% | up to £34,500 |
| Higher rate | 40% | over £37,500, up to £150,000 | 40% | over £34,500, up to £150,000 |
| Additional rate | 45% | over £150,000 | 45% | over £150,000 |

* After personal allowances.

Rates for Scotland, non-dividend, non-savings income only

| Tax band | 2019/20 | | 2018/19 | |
|-------------------|---------|------------------------------|---------|------------------------------|
| | Rate | On income* | Rate | On income* |
| Starter rate | 19% | up to £2,050 | 19% | up to £2,000 |
| Basic rate | 20% | over £2,050, up to £12,445 | 20% | over £2,000, up to £12,150 |
| Intermediate rate | 21% | over £12,445, up to £30,930 | 21% | over £12,150, up to £31,580 |
| Higher rate | 41% | over £30,930, up to £150,000 | 41% | over £31,580, up to £150,000 |
| Top rate | 46% | over £150,000 | 46% | over £150,000 |

* After personal allowances.

Savings income, dividend income and the income of trusts

| | 2019/20 | 2018/19 |
|--|---------|---------|
| Starting rate of 0% on savings income up to* | £5,000 | £5,000 |
| Savings allowance at 0% tax | | |
| – Basic rate taxpayers | £1,000 | £1,000 |
| – Higher rate taxpayers | £500 | £500 |
| – Additional rate taxpayers | £0 | £0 |
| Dividend allowance at 0% tax – all individuals | £2,000 | £2,000 |
| Tax rate on dividend income | | |
| – Basic rate taxpayers | 7.5% | 7.5% |
| – Higher rate taxpayers | 32.5% | 32.5% |
| – Additional rate taxpayers | 38.1% | 38.1% |
| For trusts | | |
| – Standard rate ban generally | £1,000 | £1,000 |
| – Rate applicable to trusts: dividends | 38.1% | 38.1% |
| – Rate applicable to trusts: other income | 45% | 45% |

* Not available if taxable non-savings income exceeds the starting rate band.

Child benefit charge

1% of benefit per £100 of income between £50,000 and £60,000.

Main personal allowances and reliefs

| | 2019/20 | 2018/19 |
|---|----------|----------|
| Personal (basic) | £12,500 | £11,850 |
| Personal reduced by £1 for every £2 of net income over | £100,000 | £100,000 |
| Marriage/civil partners' transferable allowance | £1,250 | £1,190 |
| Married couples'/civil partners' allowance at 10%* (if at least one born before 6/4/35) | | |
| – Maximum | £8,915 | £8,695 |
| – Minimum | £3,450 | £3,360 |
| Blind person's allowance | £2,450 | £2,390 |
| Rent-a-room tax-free income | £7,500** | £7,500 |
| Property allowance and trading allowance (each) | £1,000 | £1,000 |

* Reduced by £1 for every £2 of income over £28,900 (£29,600 for 2019/20), until minimum reached.

** From April 2019, to qualify for this allowance the taxpayer must be living in the property for at least some of the time that the accommodation is let.

REGISTERED PENSIONS ALLOWANCES

| | 2019/20 | 2018/19 |
|---|------------------------------|------------|
| Lifetime Allowance | £1,055,000 | £1,030,000 |
| Money Purchase Annual Allowance | £4,000 | £4,000 |
| Annual Allowance* | £40,000 | £40,000 |
| Annual Allowance Charge on excess | 20%-45% | 20%-45% |
| Maximum Pension Commencement Lump Sum | 25% of pension benefit value | |
| Lifetime Allowance Charge if excess drawn | as cash 55%, as income 25% | |

* Subject to 50% taper down to £10,000 if threshold income over £110,000 and adjusted income over £150,000.

TAX INCENTIVISED INVESTMENT ALLOWANCES

| | 2019/20 | 2018/19 |
|---|-----------------------------------|--------------|
| Individual Savings Account (ISA) | £20,000 | £20,000 |
| Junior ISA and Child Trust Fund | £4,368 | £4,260 |
| Lifetime ISA | £4,000 | £4,000 |
| Help to Buy ISA* | £1,200 initial and £200 per month | |
| Venture Capital Trust (VCT) at 30% | £200,000 | £200,000 |
| Enterprise Investment Scheme (EIS) at 30% | £2,000,000** | £2,000,000** |
| Seed Enterprise Investment Scheme (SEIS) at 50% | £100,000 | £100,000 |
| SEIS Capital Gains Tax reinvestment relief | 50% | 50% |

* Help to Buy ISAs are being withdrawn for new applications from 30 November 2019.

** Investment above £1,000,000 must be in knowledge intensive companies.

TAX WHEN YOU BUY SHARES

Stamp Duty Reserve Tax

0.5% when you buy shares electronically through the CREST system.

Stamp Duty

0.5% on transactions over £1,000, rounded to the nearest £5, when you buy shares through a stock transfer form.

CAPITAL GAINS TAX

| | 2019/20 | 2018/19 |
|---|---------|---------|
| Individuals | | |
| – Up to UK basic rate limit | 10% | 10% |
| – Above UK basic rate limit | 20% | 20% |
| Trusts and estates | 20% | 20% |
| Surcharge for residential property carried interest | 8% | 8% |
| Exemptions | | |
| – Individuals, estates etc | £12,000 | £11,700 |
| – Trusts generally | £6,000 | £5,850 |
| – Chattels (gain restricted to $\frac{5}{3}$ ^{ths} of proceeds over limit) | £6,000 | £6,000 |

Entrepreneurs' relief

Pay Capital Gains tax at 10% on a lifetime limit of £10,000,000 for trading businesses and companies with a minimum 5% employee/officer shareholding, held for at least one year.

NATIONAL INSURANCE CONTRIBUTIONS (NICs)

Class 1

| | 2019/20 | | 2018/19 | |
|--------------------------------------|----------|----------|----------|----------|
| | Employee | Employer | Employee | Employer |
| NICs rate | 12% | 13.8% | 12% | 13.8% |
| No contributions on the first | | | | |
| – Under age 21/25 for apprentices | £166 pw | £962 pw | £162 pw | £892 pw |
| – Age 21/25 and over | £166 pw | £166 pw | £162 pw | £162 pw |
| NICs rate charged up to | £962 pw | No limit | £892 pw | No limit |
| 2% NICs on earnings over | £962 pw | n/a | £892 pw | n/a |
| Certain married women | 5.85% | 13.8% | 5.85% | 13.8% |

Employment Allowance

£3,000 in 2018/19 and 2019/20. One allowance is available per business, unless a director is the sole employee, when the Employment Allowance is not available.

Class 1A Employer

| | 2019/20 | | 2018/19 | |
|-----------|----------|----------|----------|----------|
| | Employee | Employer | Employee | Employer |
| NICs rate | n/a | 13.8% | n/a | 13.8% |

Class 2 Self-Employed

| | 2019/20 | | 2018/19 | |
|-------------------------|---------------|---------|---------------|---------|
| | Weekly | Annual | Weekly | Annual |
| Flat rate | £3.00 | £156.00 | £2.95 | £153.40 |
| Small profits threshold | £6,365 a year | | £6,205 a year | |

Class 3 Self-Employed

| | 2019/20 | | 2018/19 | |
|-----------|---------|---------|---------|---------|
| | Weekly | Annual | Weekly | Annual |
| Flat rate | £15.00 | £780.00 | £14.65 | £761.80 |

Class 4 Self-Employed

| | 2019/20 | 2018/19 |
|------------|-------------------------|-------------------------|
| On profits | £8,632 – £50,000 pa: 9% | £8,424 – £46,350 pa: 9% |
| On profits | Over £50,000 pa: 2% | Over £46,350 pa: 2% |

STATE PENSIONS

| | 2019/20 | | 2018/19 | |
|--------------------------------|---------|-----------|---------|-----------|
| | Weekly | Annual | Weekly | Annual |
| Single tier* | £168.60 | £8,767.20 | £164.35 | £8,546.20 |
| Basic – single person** | £129.20 | £6,718.40 | £125.95 | £6,549.40 |
| Basic – spouse/civil partner** | £77.45 | £4,027.40 | £75.50 | £3,926.00 |

* State pension age reached after 5 April 2016. ** State pension age reached before 6 April 2016.

PROPERTY TRANSACTION TAXES

First time homebuyers (excl. Scotland) from 22 November 2017

0% on the first £300,000 for properties up to £500,000.

England and Northern Ireland: Stamp Duty Land Tax on slices of value

| Residential property | % | Commercial property | % |
|------------------------|----|----------------------|---|
| Up to £125,000 | 0 | Up to £150,000 | 0 |
| £125,001 to £250,000 | 2 | £150,001 to £250,000 | 2 |
| £250,001 to £925,000 | 5 | Over £250,000 | 5 |
| £925,001 to £1,500,000 | 10 | | |
| Over £1,500,000 | 12 | | |

Residential property bought by companies etc. over £500,000: 15% on value

Scotland – Land and Buildings Transaction Tax on slices of value

| Residential property | % | Commercial property* | % |
|----------------------|----|----------------------|---|
| Up to £145,000 | 0 | Up to £150,000 | 0 |
| £145,001 to £250,000 | 2 | £150,001 to £350,000 | 1 |
| £250,001 to £325,000 | 5 | Over £250,000 | 5 |
| £325,001 to £750,000 | 10 | | |
| Over £750,000 | 12 | | |

* The Scottish Budget 2019-20 announced that from 25 January 2019 the lower rate of non-residential LBTT would reduce from 3% to 1%, the upper rate would increase from 4.5% to 5%, and the starting threshold of the upper rate would reduce so that it applies from above £250,000 instead of £350,000.

PROPERTY TRANSACTION TAXES (CONTINUED)

Wales – Land Transaction Tax on slices of value

| Residential property | % | Commercial property | % |
|------------------------|-----|------------------------|---|
| Up to £180,000 | 0 | Up to £150,000 | 0 |
| £180,001 to £250,000 | 3.5 | £150,001 to £250,000 | 1 |
| £250,001 to £400,000 | 5 | £250,001 to £1,000,000 | 5 |
| £400,001 to £750,000 | 7.5 | Over £1,000,000 | 6 |
| £750,001 to £1,500,000 | 10 | | |
| Over £1,500,000 | 12 | | |

Second residential properties

Over £40,000, add 3% to the Stamp Duty Land Tax, Land and Buildings Transaction Tax and Land Transaction Tax rate.

INHERITANCE TAX

| | 2019/20 | 2018/19 |
|--|----------|----------|
| Nil rate band* | £325,000 | £325,000 |
| Residence nil-rate band** | £150,000 | £125,000 |
| Tax on excess | 40% | 40% |
| Tax if at least 10% of net estate left to charity | 36% | 36% |
| Lifetime transfers to and from certain trusts | 20% | 20% |
| Overseas domiciled spouse/civil partner exemption | £325,000 | £325,000 |
| 100% relief on businesses, unlisted/AIM companies and certain farmland/buildings | | |
| 50% relief on certain other business assets (for example farmland let before 1 September 1995) | | |

* On the death of a spouse or civil partner, up to 100% of their unused nil rate band can be claimed by the survivor.

** This is subject to 50% taper relief for estates with a value over £2,000,000.


MAIN DUE DATES FOR PAYING TAX

| Income Tax, NICs and Capital Gains Tax – Self-Assessment | |
|--|--|
| 31 January in the tax year, and 31 July following the tax year end | Normally 50% of the previous year's Income Tax (less tax deducted at source) and Class 4 NIC |
| 31 January following the tax year end | The balance of income tax and Class 5 NIC, and all Capital Gains Tax and Class 2 NIC |


| Inheritance Tax | |
|--|--|
| On death | Normally six months after the month of death |
| Lifetime transfer: 6 April to 30 September | 30 April in the following year |
| Lifetime transfer: 1 October to 5 April | Six months after the month of transfer |

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