

Corporation Tax, VAT & Capital Allowances

CORPORATION TAX

Financial year commencing 1 April ...	<u>2011</u>	<u>2010</u>
Main rate	26%	28%
Small companies rate	20%	21%
Profits limit for small companies rate*	£300,000	£300,000
Profits limit for marginal relief*	£1,500,000	£1,500,000
Fraction for marginal relief	3/200	7/400
Effective marginal rate	27.50%	29.75%

Notes: * These limits are divided by the number of associated companies in the chargeable accounting period.

VAT

	<u>From 01/04/2011</u>	<u>From 04/01/2011</u>
Standard rate	20%	20%
VAT fraction	1/6	1/6
Registration limit	£73,000	£70,000
Deregistration limit	£71,000	£68,000

CAPITAL ALLOWANCES

	<u>From April 2011</u>	<u>From April 2010</u>
Rates	<u>%</u>	<u>%</u>
Annual investment allowance	100	100
First year allowance on qualifying expenditure	100	100
Writing down allowance:		
- Main rate expenditure	20	20
- Special rate expenditure	10	10
Annual investment allowance	<u>£</u>	<u>£</u>
Maximum qualifying expenditure per annum	100,000	100,000

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