

UNIVERSITY OF BOLTON

RAK ACADEMIC CENTRE

BA (HONS) ACCOUNTANCY

SEMESTER 1 EXAMINATIONS 2019/20

PERSONAL AND BUSINESS TAXATION

MODULE NO: ACC5003

Date: Monday 13th January 2020

Time: 1.00pm – 4.00pm

INSTRUCTIONS TO CANDIDATES:

There are 5 questions in this examination; answer **ALL THREE** questions from section A and **ONE** question from section B:

This is a closed book examination. Tax tables and additional tax allowances are provided in appendix A and B.

You must hand in this exam paper with your answer booklet.

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Section A answer ALL questions in this section

Question 1

You work as a tax assistant in a local firm of Chartered Accountants, one of your clients Mr A Senna (who is a sole trader) has completed their year-end financial statements for the year ended 31 December 2019 and these have been passed to you. The Tax partner is currently off sick but has left you the client's tax files which include a number of notes that he made during his client meeting. The notes below are all relevant to the financial year just ended:

Revenue		£
		3,555,300
Operating costs	Note 1 & 4	(2,133,400)
		1,421,900
Profit on disposal of land	Note 2	840,000
Loss on sale of plant and equipment	Note 2	(9,200)
Interest received	Note 3	222,000
Profit before tax		2,474,700

Notes:

Note 1

Operating costs include the following:

	£
Depreciation	304,066
Entertaining customers (£30 each)	16,500
Entertaining all staff (£40 each)	1,600
Political donation	3,000
Calendars and diaries all with the company logo and telephone number (£25 each)	18,400
Payment of Mr A Senna's tax and NIC's from 2018	15,000
Repairs of machine purchased in the financial year to 31 December 2016	14,200
Repairs to a machine purchased in the year which could not be used until the repairs had been carried out	8,600
Legal fees in respect of debt collection	2,400
Wages to Mrs Senna who works as a manager in the business	21,000
Wages to Mr Senna's daughter who is at University and never worked in the business	4,800
Purchase of a new office heating system	16,000
Fine for breach of Government health and safety regulations	8,400

Question 1 continues over the page

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Question 1 continued

Note 2

The disposal of the land gave rise to a chargeable gain which should be taxed under capital gains rules and not subject to income tax. The property plant and equipment was sold for £9,000 and had a carrying value of £18,200 at the date of disposal.

Note 3:

Included in the interest receivable is an amount of £18,000 in respect of an investment bank account held personally by Mr A Senna.

Note 4:

Mr A Senna took goods from the business for personal use, the cost of these goods amounted to £8,000. He makes a gross profit margin on his sales of 20% and he paid £8,000 into the business bank account when he took these goods.

Required:

Calculate the adjusted taxable trading profit for Mr A Senna's 31 December year end. In addition, briefly explain the reasons behind the adjustments you have made **PLUS** any items you have decided are not required for adjustment in your computation.

(30 marks)

End of question 1

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Question 2

You have been asked by the tax partner of your practice (Button and Hamilton LLP) to assist with the tax computation for a new client Coulthard Ltd. Coulthard Ltd operates in the motor sports area and manufactures race cars for junior racing teams that race in the University of Bolton Formula Graduate series. The company started trading on 1 October 2018 and his first accounting date was 31 March 2019 where the company made a pre tax profit of £328,000 (adjusted for tax purposes for the 6 month period) and the company made an adjusted pre tax profit (which has already been adjusted for tax purposes) of £1,358,000 for the year ended 31 March 2020 financial year end. You have been provided with the following information in relation to the purchases and sale of assets over those two accounting periods: Additional tax allowance information is available at the end of the paper.

		£
5 October 2018	Purchased plant and equipment	260,000
5 October 2018	Bought a transit van (emissions 212g/km)	32,400
17 November 2018	Bought an Audit A7 (emissions 153g/km)	37,200
23 December 2018	Bought desks, chairs, cupboards for office	9,600
9 February 2019	Bought Smart car (emissions 102g/km)	18,400
17 April 2019	Sold the Smart car (purchased 9 February 2019)	19,200
17 April 2019	Bought Ford ST24 car (emissions 110g/km)	31,000
30 November 2019	Sold some of the machinery that had cost £23,000 when purchased on 5 October 2019	16,600
7 February 2020	Purchased some new machinery to replace that sold on 7 November 2019 (more efficient for production)	60,000

Required:

Prepare a capital allowances computation **AND** compute the corporation tax payable by Coulthard Ltd for each accounting period ended 31 March including the balances on the capital allowances pools carried forward at each period end (round to nearest £). **(25 Marks)**

End of Question 2

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Question 3

You have been approached by one of your clients (Mr F Williams) in respect of completing their personal tax return for the fiscal year to 5 April 2020. They have told you that during the year they were employed as a motor sports technical support officer and they received gross pay of £62,000 before PAYE and National Insurance Contributions amounting to £4,250 were deducted. In addition to his salary he was provided with a petrol Mercedes car with emissions of 133g/km, the car originally cost the company £28,000 however the list price was £32,000, his employer covered all running costs of this car. He was also supplied with a mobile telephone at a cost of £1,000 and the company also paid £1,100 in respect of private medical insurance. On 6 October 2019 he was provided with living accommodation by his employer as he needed to work away from home, the house was purchased several years ago by the company at a cost of £185,000 and has a rateable value of £6,550 (HMRC official rate of interest 2.5%). The home was also furnished with beds, sofa's, TV etc which cost the company £12,300. During the year, Mr Williams received NET bank interest of £2,400 on his savings and he also received dividends on his investments in UK company shares of £28,000.

Required:

Prepare the income tax liability of Mr Williams for the 2019/20 tax year, clearly showing **ALL** workings (work to the nearest £).

(25 Marks)

End of Question 2

End of Section A

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Section B answer ONE question only from this section

Question 4

One of your clients who was recently made redundant has sought your advice over a business they are planning on setting up. Mr Prost is a highly skilled motor sport strategist and is planning to either do some consultancy work for the Formula Bolton motor sport series teams and/or selling motor sport memorabilia on the internet, however he may only have one client who is potentially interested in securing his services for a number of years. In addition, Mr Prost is a motor car enthusiast, he likes to buy sports cars and use them until something more appealing is for sale when he then sells his car and buys a new car. These sales and purchases may occur during the year, alternatively he may keep hold of his car for a few years until an appealing car becomes available.

Required:

Write a report to Mr Prost in relation to the situations above, you should clearly outline any HMRC issues that may arise as well as applying the badges of trade concept to the situations above (not you are providing **TAX** advice only and **NOT** business advice).

(20 Marks)

End of Question 4

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Question 5

Mr Kubicka has been working as a freelance motorsports photographer for several years, he started his business on 1 July 2015 with an accounting period end date of 31 December each financial year, as a result of a full time job offer from a competitor he ceased trade on 30 September 2020. His results are as follows:

Period/ year to	Profits £
31 December 2015	16,800
31 December 2016	18,400
31 December 2017	21,000
31 December 2018	15,000
31 December 2019	12,800
30 September 2020	11,600

Required:

Computer Mr Kubicka's profits for each fiscal year, clearly state the amount of any overlap reliefs (show ALL workings - your workings should include the dates each period covers).

(20 Marks)

END OF QUESTIONS

Lymer & Oats: 2018/19

Tables of tax rates and allowances

The current rates and allowances for income tax, corporation tax, capital gains tax, inheritance tax and other taxes are set out below.

Income tax rates***

	Non-savings	Savings	Dividends
£0 – £2,000	–*	0%*	0%**
£0 (or £2,000) – £34,500	20%	20%	7.5%**
£34,501 – £150,000	40%	40%	32.5%
Over £150,000	45%	45%	38.1%

* 0% rate on savings only available up to £5,000 of savings income if non-savings income does not exceed this sum. In addition, a £1,000 personal savings allowance is available to basic rate taxpayers (£500 for higher rate taxpayers and nil for additional rate taxpayers).

** Dividend allowance of £2,000 (£5,000 2017/18)

*** Scottish IT rates: £1-£2,000=19%, £2,001-£12,150=20%, £12,151-£31,580=21%, £31,581-£150,000=41%, over £150,000=46%

Personal income tax allowances

	2018/19 £	2017/18 £	Increase £
Income tax allowances:			
Personal allowance	11,850	11,500	350
Income limit: personal allowance	100,000	100,000	0
Transferrable tax allowance (married couples)	1,190	1,150	40
Income limit: transferable tax allowance	28,900	28,000	900
Dividend allowance	2,000	5,000	-3,000
Personal savings allowance:			
Basic rate taxpayers	1,000	1,000	0
Higher rate taxpayers	500	500	0
Blind person's allowance	2,390	2,320	70

Car and fuel benefits in kind

Car benefit charge: round down to find the correct percentage:

CO ₂			CO ₂			CO ₂		
Taxable %			Taxable %			Taxable %		
g/km	Petrol	Diesel	g/km	Petrol	Diesel	g/km	Petrol	Diesel
0(EV)	13	17	115	24	28	150	31	35
51	16	20	120	25	29	155	32	36
76	19	23	125	26	30	160	33	37
95	20	24	130	27	31	165	34	37
100	21	25	135	28	32	170	35	37
105	22	26	140	29	33	175	36	37
110	23	27	145	30	34	180+	37	37

Car fuel benefit charge	£23,400
Van benefit charge	£3,350
Van fuel benefit charge	£633

Approved mileage rates

	Business Miles	Allowance rate per mile
Cars and vans	0 – 10,000	45p
	10,000+	25p
Motor cycles		24p
Bicycles		20p

Excess payments over these rates are taxable. Shortfalls can be claimed as tax relief by the employee.

Income tax reliefs and incentives: annual limits

	2018/19	2017/18
	£	£
Individual Savings Account (ISA)	20,000	20,000
Junior ISA	4,260	4,128
Help to buy ISA – maximum saving	12,000	12,000
Child Trust Fund	4,268	4,128
Enterprise investment scheme (EIS)	2,000,000	1,000,000
Seed Enterprise investment scheme (SEIS)	100,000	100,000
Venture capital trust (VCT)	200,000	200,000
Social investment tax relief (SITR)	1,000,000	1,000,000
Employee shareholder status	2,000	2,000
Pension scheme allowances:		
Annual allowance	40,000	40,000
Lifetime allowance	1,030,000	1,000,000

National Insurance Contributions

Item	2018/19	2017/18
Class 1:		
Lower Earnings Limit - LEL (per week)	£116	£113
Primary (employees) Threshold (per week)	£162	£157
Secondary (employers) Threshold (per week)	£162	£157
Upper Earnings Limit - UEL (per week - employees only)	£892	£866
Upper Secondary Threshold (per week - <21yr old)	£892	£866
(per week - <25yr old apprentices)	£892	£866
Employment allowance (per employer)	£3,000	£3,000
Employee's contributions (£162pw to £892pw +2% over £892pw)	12%	12%
Employer's Contribution Rates (all earnings over £157pw)	13.8%	13.8%
Class 1A and 1B	13.8%	13.8%
Class 2: Self employed Contribution (per week)	£2.95	£2.85
Small Profits Threshold (per annum)	£6,205	£6,025
Class 3: Contribution (per week) (voluntary)	£14.65	£14.25
Class 4: Contributions - Upper Profits Limit	£46,350	£45,000
Contributions - Lower Profits Limit	£8,424	£8,164
Contribution Rate (£8,424pa - £46,350pa then 2% over £46,350pa)	9.0%	9.0%

Apprenticeship Levy

	2018/19	2017/18
Apprenticeship Levy Allowance (per employer)	£15,000	£15,000
Apprenticeship Levy rate (gross employee earnings)	0.5%	0.5%

Capital taxes: Individuals

	2018/19	2017/18	Increase
	£	£	£/%
Capital gains tax annual exempt amount			
Individuals, etc.	11,700	11,300	400
Capital gains tax standard basic rate	10%*	10%*	0
Capital gains tax standard higher rate	20%*	20%*	0
Entrepreneurs' Relief limit	10 million	10 million	0
Entrepreneurs' Relief rate	10%	10%	0
Investors' Relief limit	10 million	10 million	0
Investors' Relief rate	10%	10%	0
Inheritance tax threshold (each if couple/partner)	325,000	325,000	0
Residence nil rate band limit	125,000	100,000	25,000
Inheritance tax rate	40%	40%	0
Lower rate (10%+ of estate left to charity)	36%	36%	0

* An 8% surcharge applies in respect of residential properties and carried interest.

Corporation tax, allowances and reliefs

	2018/19	2017/18
Corporation Tax rate	19%	19%
Plant and machinery: Main rate	18%	18%
Special rate	8%	8%
Annual investment allowance	£200,000	£200,000
First year allowances	100%	100%
R&D tax credits SME scheme	230%	230%
R&D SME repayable credit	14.5%	14.5%
R&D Expenditure credit	12%	11%
Patent box	10%	10%
Film, High end TV and videogame tax relief	25%	25%
Bank levy: 1.1.18 – 31.12.18 – equity and LT liabs	0.08%	
ST liabs	0.16%	
Bank Surcharge	8%	8%

Corporation tax on chargeable gains: indexation allowance

Retail prices index (January 1987 = 100.0)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1982	-	-	79.44	81.04	81.62	81.85	81.90	81.90	81.85	82.26	82.66	82.51
1983	82.61	82.97	83.12	84.28	84.64	84.84	85.30	85.68	86.06	86.36	86.67	86.89
1984	86.84	87.20	87.48	88.64	88.97	89.20	89.10	89.94	90.11	90.67	90.95	90.87
1985	91.20	91.94	92.80	94.78	95.21	95.41	95.23	95.49	95.44	95.59	95.92	96.05
1986	96.25	96.60	96.73	97.67	97.85	97.79	97.52	97.82	98.30	98.45	99.29	99.62
1987	100.0	100.4	100.6	101.8	101.9	101.9	101.8	102.1	102.4	102.9	103.4	103.3
1988	103.3	103.7	104.1	105.8	106.2	106.6	106.7	107.9	108.4	109.5	110.0	110.3
1989	111.0	111.8	112.3	114.3	115.0	115.4	115.5	115.8	116.6	117.5	118.5	118.8
1990	119.5	120.2	121.4	125.1	126.2	126.7	126.8	128.1	129.3	130.3	130.0	129.9
1991	130.2	130.9	131.4	133.1	133.5	134.1	133.8	134.1	134.6	135.1	135.6	135.7
1992	135.6	136.3	136.7	138.8	139.3	139.3	138.8	138.9	139.4	139.9	139.7	139.2
1993	137.9	138.8	139.3	140.6	141.1	141.0	140.7	141.3	141.9	141.8	141.6	141.9
1994	141.3	142.1	142.5	144.2	144.7	144.7	144.0	144.7	145.0	145.2	145.3	146.0
1995	146.0	146.9	147.5	149.0	149.6	149.8	149.1	149.9	150.6	149.8	149.8	150.7
1996	150.2	150.9	151.5	152.6	152.9	153.0	152.4	153.1	153.8	153.8	153.9	154.4
1997	154.4	155.0	155.4	156.3	156.9	157.5	157.5	158.5	159.3	159.5	159.6	160.0
1998	159.5	160.3	160.8	162.6	163.5	163.4	163.0	163.7	164.4	164.5	164.4	164.4
1999	163.4	163.7	164.1	165.2	165.5	165.6	165.1	165.5	166.2	166.5	166.7	167.3
2000	166.6	167.5	168.4	170.1	170.7	171.1	170.5	170.5	171.7	171.6	172.1	172.2
2001	171.1	172.0	172.2	173.1	174.2	174.4	173.3	174.0	174.6	174.3	173.6	173.4
2002	173.3	173.8	174.5	175.7	176.2	176.2	175.9	176.4	177.6	177.9	178.2	178.5
2003	178.4	179.3	179.9	181.2	181.5	181.3	181.3	181.6	182.5	182.6	182.7	183.5
2004	183.1	183.8	184.6	185.7	186.5	186.8	186.8	187.4	188.1	188.6	189.0	189.9
2005	188.9	189.6	190.5	191.6	192.0	192.2	192.2	192.6	193.1	193.3	193.6	194.1
2006	193.4	194.2	195.0	196.5	197.7	198.5	198.5	199.2	200.1	200.4	201.1	202.7
2007	201.6	203.1	204.4	205.4	206.2	207.3	206.1	207.3	208.0	208.9	209.7	210.9
2008	209.8	211.4	212.1	214.0	215.1	216.8	216.5	217.2	218.4	217.7	216.0	212.9
2009	210.1	211.4	211.3	211.5	212.8	213.4	213.4	214.4	215.3	216.0	216.6	218.0
2010	217.9	219.2	220.7	222.8	223.6	224.1	223.6	224.5	225.3	225.8	226.8	228.4
2011	229.0	231.3	232.5	234.4	235.2	235.2	234.7	236.1	237.9	238.0	238.5	239.4
2012	238.0	239.9	240.8	242.5	242.4	241.8	242.1	243.0	244.2	245.6	245.6	246.8
2013	245.8	247.6	248.7	249.5	250.0	249.7	249.7	251.0	251.9	251.9	252.1	253.4
2014	252.6	254.2	254.8	255.7	255.9	256.3	256.0	257.0	257.6	257.7	257.1	257.5
2015	255.4	256.7	257.1	258.0	258.5	258.9	258.6	259.8	259.6	259.5	259.8	260.6
2016	258.8	260.0	261.1	261.4	262.1	263.1	263.4	264.4	264.9	264.8	265.5	267.1
2017	265.5	268.4	269.3	270.6	271.7	272.3	272.9	274.7	275.1	275.3	275.8	278.1

Note - no further indexation allowance will apply for disposals after 1 Jan 2018 - the Dec 2017 rate should be used for all subsequent sales.

VAT

	after 1 April 2018	after 1 April 2017
Standard Rate	20%	20%
Reduced Rate	5%	5%
Annual Registration Limit	£85,000	£85,000
De-registration Limit	£83,000	£83,000
VAT Fraction - standard rate	1/6	1/6
Maximum turnover to join:		
Cash Accounting Scheme	£1,350,000	£1,350,000
Annual Accounting Scheme	£1,350,000	£1,350,000
Flat Rate Scheme (ex VAT)	£150,000	£150,000

Stamp Duty Land Tax

Value of property (£)	Stamp duty rate (%)
<i>Residential property</i> **	<i>not buy to let</i>
0 – 125,000	0*
125,001 – 250,000	2*
250,001 – 925,000	5*
925,001 – 1.5m	10*
remainder (over £1.5m)	12*

* 3% supplement on additional dwelling purchased over £40,000.

** From 22.11.17 full SDLT relief for 1st property purchased up to £300,000 and then 5% up to £500,000.

Value of property (£)	Stamp duty rate (%)
<i>Non-residential property</i>	
up to 150,000	0
150,001 – 250,000	2
over 250,000	5

Annual Tax on Enveloped Dwellings

Value of property (£)	ATED charge (£)
500,000 – 1,000,000	3,600
1,000,001 – 2,000,000	7,250
2,000,001 – 5,000,000	24,250
5,000,001 – 10,000,000	56,550
10,000,001 – 20,000,000	113,400
20,000,000	226,950

Scottish Land and Buildings Transactions Tax

Value of property (£)	LBTT rate %
<i>Residential property</i> **	
0 – 145,000*	0*
145,001 – 250,000	2*
250,001 – 325,000	5*
325,000 – 750,000	10*
Over 750,000	12*
<i>Non-residential property</i>	
0 – 150,000	0
150,001 – 350,000	3
over 350,000	4.5

* 3% supplement on additional dwelling purchased over £40,000.

** LBTT relief for 1st time purchasers up to £175,000.

Welsh Land Transaction Tax

Value of property (£)	LTT rate %
<i>Residential property</i> **	
0 – 180,000*	0*
180,001 – 250,000	3.5*
250,001 – 400,000	5*
400,000 – 750,000	7.5*
750,000 – 1,500,000	10
Over 1,500,000	12*
<i>Non-residential property</i>	
0 – 150,000	0
150,001 – 250,000	1
250,001 – 1,000,000	5
over 1,000,000	6

* 3% supplement on additional dwelling purchased over £40,000.

** LBTT relief for 1st time purchasers up to £175,000.

Environmental taxes

	2018/19 (2017/18)
Landfill tax:	
Standard rate (per tonne)	£88.95 (£86.10)
Lower rate (inactive waste per tonne)	£2.80 (£2.70)
Aggregates levy (per tonne)	£2.00 (£2.00)
Climate Change Levy:	
Electricity	0.583p/kwh
Natural Gas	0.203p/kwh
LPG	1.304p/kg

Insurance Premium Tax:

Standard Rate	12%
Higher Rate (travel, appliances, some vehicles)	20%

HMRC interest rates

	Late Payment (%)	Repayment (%)
All taxes (since 21/11/17)	3.00	0.5
All taxes (since 23/8/16)	2.75	0.5
Average Official rate for 2018/19		2.5%

(These rates change occasionally – see the HMRC website for details)

Tax credits:**Working tax credit**

	£ per year
Basic element	1,960.00
Couple and lone parent element	2,010.00
30 hour element	810.00
Disability element	3,090.00
Severe disability element	1,330.00
Childcare element:	£ per week
Maximum eligible cost for 2 or more children	300.00
Maximum eligible cost for 1 child	175.00
Max. percent of eligible costs covered	70%

Child tax credit

	£ per year
Family element	545.00
Child element (each child)	2,780.00
Disabled child element	3,275.00
Severe disabled child element	4,600.00

Tapering

	£
Income thresholds & withdrawal rates	
First income threshold	6,420.00
First withdrawal rate	41%
First threshold for child tax credit entitlement only (where no WTC claimed)	16,105.00
Income rise disregard	2,500.00
Income fall disregard	2,500.00

Pension credit

	£
Standard Minimum income guarantee credit: (per week)	
Single	163.00
Couple	248.80
Capital:	
Amount disregard	10,000.00
Amount disregard – care homes	10,000.00
Deemed income:	
£1 per week for every £500 (or part thereof) in excess of these amounts	

Personal benefit rates

	2018/19	2017/18
	£	£
Old State Pension (per week):		
- Single Person (based on own NIC)	125.95	122.30
- Single Person (based on spouse's NIC)	75.50	73.30
- Non-contributory (over 80 pension)	75.50	73.30
New State Pension	164.35	159.55
Child Benefit (per week):		
- First Eligible Child	20.70	20.70
- Each Extra Child	13.70	13.70
- Guardian allowance	17.20	16.70
Statutory Sick Pay (per week):		
- normally receive £116 per week or more	92.05	89.35
Statutory Maternity Pay (per week):		
Average Weekly Earnings of £116 or over		
- Higher Weekly Rate (first 6 weeks)	90% of weekly earnings	
- Standard Rate (remaining 33 weeks)	145.18	140.98
Statutory Paternity/Adoption Pay (per week)	145.18	140.98
Job Seekers Allowance (income based – per week):		
- Single Person (over 25)	73.10	73.10
- Married Couple (both over 18)	114.85	114.85
National Living/Minimum Wage (per hour):		
- ages 25 and over (from Apr 18)	£7.83	£7.50
- ages 21 to 24 (from Apr 18)	£7.38	£7.05
- ages 18 to 20 (Development rate – from Apr 18)	£5.90	£5.60
- ages <18 (Young worker rate – from Apr 18)	£4.20	£4.05
- Apprentice rate (under 19 or in first year)	£3.70	£3.50
Employment & Support Allowance (per week):		
- Single under 25 (first 13 weeks)	57.90	57.90
- Single 25 and over (first 13 weeks)	73.10	73.10
- Work related Activity Group (week 14+)	73.10	102.15
- Support Group (week 14+)	110.75	109.30
Universal Credit (per month):		
- Single under 25	251.77	251.77
- Single 25 and over	317.82	317.82
- Couple one at least over 25	498.89	498.89
- Child element:		
- First child	277.08	277.08
- Second/subsequent child	231.67	231.67
Benefit Cap (per annum) (inside Greater London totals in brackets)		
- Single (no children)	13,400.00 (15,410.00)	
- Single parent (children living with them)	20,000.00 (23,000.00)	
- Couple (with or without children)	20,000.00 (23,000.00)	

These rates are selected from a complex list of benefits available based on personal circumstances and therefore are provided in basic outline only. For a full list of benefits see the www.gov.uk website.

Duty rates

	Duty	Typical Item
Cigarettes	16.5% of retail price + £217.23 per thousand	packet of 20
Cigars	£270.96/kg	packet of 5
Hand rolling tobacco	£221.18/kg	30g
Beer	19.08p/litre	pint
	8.42p for low strength or an extra 5.69p for high strength apply	
Wine		
>22% abv	£28.74/litre pure alcohol	
15%–22%abv	£3.8482/litre 75cl bottle	
5.5%–15%abv	£2.8865/litre	
4%–5.5%abv	£1.2230/litre	
1.2%–4%abv	88.93p/litre	
Sparkling wine		
5.5%–8.5%abv	£2.7946/litre	75cl bottle
8.5%–15%abv	£3.6972/litre	
Cider/Perry		
Still		
1.2%–7.5%abv	40.38p/litre	75cl bottle
7.5%–8.5%abv	61.04p/litre	
Sparkling		
1.2%–5.5%abv	40.38p/litre	75cl bottle
5.5%–8.5%abv	£2.7946/litre	
Spirits	£28.74/litre of pure alcohol	70cl bottle
Fuel Duties :		
Unleaded/Heavy oil (Diesel)/Bio-diesel & bioethanol	57.95p/litre	
Bio-diesel for non-road use	11.14p/litre	
LPG	31.61p/kg	
Other Natural gas (road fuel)	24.7p/kg	
Fuel Oil	10.7p/litre	
Aviation gasoline	37.7p/litre	

2018/19 Additional Tax allowances

Capital allowances

Annual Investment Allowance:

£200,000

(Note: Cars do not attract the AIA and separate rules apply for those cars with emissions over 110g/km and below 50g/km)

Special Rate Pool – 8%

General Pool -18%

First Year Allowance for qualifying expenditure – 100%

Past Examination Paper