

- In February 2012, electricians became the focus of HMRC attention with the launch of its Electricians' Tax Safe Plan (see 11231).
- In February 2012, HMRC announced a number of forthcoming campaigns (see 11231).
- In February 2012, HMRC announced a fresh start for its Business Records Checks from a date (yet to be announced) in 2012–13 (see 12407).
- At the end of February 2012, the Office of Tax Simplification urged HMRC to make greater use of suspended penalties (see 12027). In March 2012, HMRC released a video on appeals and reviews (see 12620).
- In March 2012, HMRC updated two of its 'toolkits' (see 12005).
- In March 2012, HMRC announced details of its e-Markets Disclosure Facility (see 11231).
- In April 2012, evidence began to emerge that HMRC was taking an aggressive stance in relation to health professionals who had not taken the opportunity to report prior under-declarations of income (see 11231).
- In April 2012, HMRC announced the release of 'apps' to help small businesses keep track of their records (see 12405).
- In May 2012, HMRC announced the extension of its Alternative Dispute Resolution trial (see 12625).
- In May 2012, HMRC published guidance on its approach to potential IR35 situations (see 12421).
- In May 2012, HMRC extended the focus of its taskforces (see 11231).
- A tribunal decision published in June 2012 provides an insight into the use of the reduction for special circumstances (see 12026).
- In July 2012, HMRC announced its Tax Return Initiative, providing a facility for higher rate taxpayers to bring their tax affairs up to date (see 11231).
- In July 2012, HMRC further extended the focus of its taskforces to include Scottish pubs and nightclubs, hair and beauty businesses in Northern Ireland, the motor trade in various locations and restaurants in South Wales and the South West (see 11231).
- In July 2012, HMRC updated its three VAT related Toolkits (see 12005).
- In July 2012, HMRC reported that it received over 74,000 tip-offs in 2011 about evasion (see 11236).
- In July 2012, HMRC revealed that it had paid out over a total of £1m to informants in the five years to March 2012 (see 11236).

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(ITA 2007, s. 6-15)

(Tax Reporter 9148-0756)

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INCOME TAX

INCOME TAX RATES

1 2012/13

(ITA 2007, s. 6–15)

(Tax Reporter: ¶148-075ff.)

2012–13

	Taxable income band	Tax rate	Tax on band
	£	%	£
Basic rate	1–34,370 ⁽¹⁾	20	6,874.00
Higher rate	34,371–150,000	40	46,251.60
Additional rate	Over 150,000	50 ⁽²⁾	

Rate on non-dividend savings income	10% up to £2,710 ⁽³⁾ 20% up to basic rate limit 40% up to higher rate limit 50% thereafter
Dividend ordinary rate	10% up to basic rate limit
Dividend higher rate	32.5% up to higher rate limit
Dividend additional rate	42.5% above higher rate limit ⁽⁴⁾
Trust rate	50% ⁽⁵⁾
Dividend trust rate	42.5% ⁽⁶⁾

(1) For 2013–14 the basic rate band will be £32,245.

(2) For 2013–14 the additional rate will be 45%.

(3) A 10% starting rate applies to the first £2,710 of non-dividend savings income. The starting rate does not apply if non-savings income exceeds the personal allowance plus £2,710.

(4) For 2013–14 the dividend additional rate will be 37.5%.

(5) The special trust rates do not apply to the first £1,000 slice of the 'trust rate income'. Instead, the normal income tax rates (currently the basic rate and dividend ordinary rate) apply as appropriate (ITA 2007, s. 491(1)–(3)).

2 2011/12

(ITA 2007, s. 6–15)

(Tax Reporter: ¶148-075ff.)