

TAX RATES AND TAKE HOME PERCENTAGES AT DIFFERING INCOME LEVELS

2010/11 Tax rates

Income Band £		PSC - all income caught by IR35 £	PSC - outside IR35 - without spouse allowances £	PSC - outside IR35 - with spouse allowances £ (see note 5)
20,000	Tax/NI	5,217	3,307	2,107
	Take home	14,783	16,693	17,893
	take home %	73.9%	83.5%	89.5%
25,000	Tax/NI	7,113	4,357	3,157
	Take home	17,887	20,643	21,843
	take home %	71.5%	82.6%	87.4%
30,000	Tax/NI	9,010	5,407	4,207
	Take home	20,990	24,593	25,793
	take home %	70.0%	82.0%	86.0%
35,000	Tax/NI	10,907	6,457	5,257
	Take home	24,093	28,543	29,743
	take home %	68.8%	81.6%	85.0%
40,000	Tax/NI	12,804	7,507	6,307
	Take home	27,196	32,493	33,693
	take home %	68.0%	81.2%	84.2%
45,000	Tax/NI	14,701	8,557	7,357
	Take home	30,299	36,443	37,643
	take home %	67.3%	81.0%	83.7%
50,000	Tax/NI	16,841	9,773	8,407
	Take home	33,159	40,227	41,593
	take home %	66.3%	80.5%	83.2%
60,000	Tax/NI	21,715	13,848	10,507
	Take home	38,285	46,152	49,493
	take home %	63.8%	76.9%	82.5%
70,000	Tax/NI	26,450	17,923	12,607
	Take home	43,550	52,077	57,393
	take home %	62.2%	74.4%	82.0%
80,000	Tax/NI	31,184	21,998	14,707
	Take home	48,816	58,002	65,293
	take home %	61.0%	72.5%	81.6%
90,000	Tax/NI	35,919	26,073	16,807
	Take home	54,081	63,927	73,193
	take home %	60.1%	71.0%	81.3%
100,000	Tax/NI	40,654	30,148	19,327
	Take home	59,346	69,852	80,673
	take home %	59.3%	69.9%	80.7%

**TAX RATES AND TAKE HOME PERCENTAGES
AT DIFFERING INCOME LEVELS - continued**

120,000	Tax/NI	50,466	38,979	27,383
	Take home	69,534	81,021	92,617
	take home %	57.9%	67.5%	77.2%
140,000	Tax/NI	62,183	47,905	35,533
	Take home	77,817	92,095	104,467
	take home %	55.6%	65.8%	74.6%
160,000	Tax/NI	71,653	56,055	43,683
	Take home	88,347	103,945	116,317
	take home %	55.2%	65.0%	72.7%
180,000	Tax/NI	81,714	64,654	51,833
	Take home	98,286	115,346	128,167
	take home %	54.6%	64.1%	71.2%
200,000	Tax/NI	93,378	74,982	59,983
	Take home	106,622	125,018	140,017
	take home %	53.3%	62.5%	70.0%
220,000	Tax/NI	104,620	84,888	68,133
	Take home	115,380	135,112	151,867
	take home %	52.4%	61.4%	69.0%
240,000	Tax/NI	115,862	94,793	77,643
	Take home	124,138	145,207	162,357
	take home %	51.7%	60.5%	67.6%

Assumptions:

1. All income is drawn from the company
2. Income is after deductible expenses, and exclusive of vat
3. For the example with spouse allowances, spouse has no other income
4. Outside of IR35, salaries of £8k pa assumed for director, £5,715 spouse.

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