

TAX RATES AND TAKE HOME PERCENTAGES AT DIFFERING INCOME LEVELS

2011/12 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	4,920	3,180	1,766
	Take home	15,080	16,820	18,234
	take home %	75.4%	84.1%	91.2%
25,000	Tax/NI	6,882	4,180	2,766
	Take home	18,118	20,820	22,234
	take home %	72.5%	83.3%	88.9%
30,000	Tax/NI	8,843	5,180	3,766
	Take home	21,157	24,820	26,234
	take home %	70.5%	82.7%	87.4%
35,000	Tax/NI	10,805	6,180	4,766
	Take home	24,195	28,820	30,234
	take home %	69.1%	82.3%	86.4%
40,000	Tax/NI	12,767	7,180	5,766
	Take home	27,233	32,820	34,234
	take home %	68.1%	82.1%	85.6%
45,000	Tax/NI	14,728	8,180	6,766
	Take home	30,272	36,820	38,234
	take home %	67.3%	81.8%	85.0%
50,000	Tax/NI	17,203	9,792	7,766
	Take home	32,797	40,208	42,234
	take home %	65.6%	80.4%	84.5%
60,000	Tax/NI	22,061	13,792	9,766
	Take home	37,939	46,208	50,234
	take home %	63.2%	77.0%	83.7%
70,000	Tax/NI	26,920	17,792	11,766
	Take home	43,080	52,208	58,234
	take home %	61.5%	74.6%	83.2%
80,000	Tax/NI	31,778	21,792	13,766
	Take home	48,222	58,208	66,234
	take home %	60.3%	72.8%	82.8%
90,000	Tax/NI	36,636	25,792	15,766
	Take home	53,364	64,208	74,234
	take home %	59.3%	71.3%	82.5%
100,000	Tax/NI	41,494	29,792	18,998
	Take home	58,506	70,208	81,002
	take home %	58.5%	70.2%	81.0%

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

120,000	Tax/NI	51,417	38,627	26,998
	Take home	68,583	81,373	93,002
	take home %	57.2%	67.8%	77.5%
140,000	Tax/NI	63,917	47,474	34,998
	Take home	76,083	92,526	105,002
	take home %	54.3%	66.1%	75.0%
160,000	Tax/NI	73,633	55,474	42,998
	Take home	86,367	104,526	117,002
	take home %	54.0%	65.3%	73.1%
180,000	Tax/NI	83,626	64,129	50,998
	Take home	96,374	115,871	129,002
	take home %	53.5%	64.4%	71.7%
200,000	Tax/NI	95,736	74,327	58,998
	Take home	104,264	125,673	141,002
	take home %	52.1%	62.8%	70.5%
220,000	Tax/NI	107,211	84,105	67,000
	Take home	112,789	135,895	153,000
	take home %	51.3%	61.8%	69.5%
240,000	Tax/NI	118,686	93,882	76,671
	Take home	121,314	146,118	163,329
	take home %	50.5%	60.9%	68.1%

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 £10k pa assumed for director, £7,068 spouse.

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