

## **CLASS 4 INFORMATION**

Tax year	2020/21	2021/22	2022/23	2023/24	2024/25
<b>Maximum</b>	42,796	42,796	42,796	44,928	48,776
<b>Minimum</b>	7,176	7,176	7,176	7,540	8,320
<b>Excess over minimum charged at;</b>	8%	8%	8%	8%	8%
<b>Additional contribution over maximum charged at;</b>	1%	1%	1%	1%	1%
<b>Age exemption:</b>					
<b>Men</b>	see below	see below	see below	see below	see below
<b>Women</b>	see below	see below	see below	see below	see below

**Automatic exception** - applies in the following cases.

- Up to and including the 2018/19 tax year, men are exempt at the age stated at the commencement of the tax year. In subsequent years, men born between the following dates are exempt from the tax year stated;

Date of birth	Tax year
6 December 1953 to 5 January 1954	2019/20
6 January 1954 to 5 July 1954	2020/21
6 July 1954 to 5 October 1954	2021/22
6 October 1954 to 5 April 1960	66 <sup>th</sup> birthday

- Women born between the following dates are exempt from the tax year stated;

Date of birth	Tax year
6 April 1952 to 5 October 1952	2015/16
6 October 1952 to 5 April 1953	2016/17
6 April 1953 to 5 July 1953	2017/18
6 July 1953 to 5 October 1953	2018/19
6 October 1953 to 5 January 1954	2019/20
6 January 1954 to 5 July 1954	2020/21
6 July 1954 to 5 October 1954	2021/22
6 October 1954 to 5 April 1960	66 <sup>th</sup> birthday

- Not resident in the Isle of Man.
- Trustee, executor or administrator.

5. A sleeping partner (i.e. person who supplies capital for a business and who gets a share of the profits, but takes no active part in running of business).

**Any other claims for exception should be referred to the Income Tax Division.**

## **CLASS 4 EXAMPLES**

*2024/25 tax year*

Taxable profit	17,500		
On 8,320 (24/25)	Nil		
Balance 9,180 (17,500 – 8,320)	@ 8%	=	734.40
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Class 4 liability			734.40

*2024/25 tax year*

Taxable profit	60,500		
On 8,320 (24/25)	Nil		
Balance 40,456 (48,776 – 8,320)	@ 8%	=	3,236.48
Additional contribution 11,724 (60,500 – 48,776)	@ 1%	=	117.24
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Class 4 liability			3,353.72