



PRACTICE NOTE

PN 44(1)/93

Date: 6th April 1993

Budget 1993 - Income Tax Proposals **Allowances And Rates Of Tax**

The Minister for the Treasury announced the following income tax rates and allowances to be effective for the 1993/94 income tax year commencing 6th April 1993:-

Personal Allowances

Single Person	£6,200
Married Couple (combined)	£12,400
Single Parent Addition	£4,250
Blind Person	£1,650

Income Tax Rates

Standard Rate	15%
Higher Rate	20%
Non-Resident Rate	20%

Tax Thresholds

Single Person	£8,500
Married Couple (combined)	£17,000
Balance taxable at	20%

Coding Amendments

Instructions will be issued on Form T8 advising employers to amend codes with a F, W or M suffix and to apply the increases with immediate effect. Codes with an S or L suffix will be reviewed by the Division over the next 2 weeks and revised codes issued as soon as

possible. New Tax Tables will be issued with the updated T6L listing. Meanwhile, employers should continue to use the existing Table D.

BENEFITS IN KIND

1. CAR SCALE RATES

There are no changes to the car and fuel benefit scale rates. The rates for 1992/93 are to be used for 1993/94. See Appendix 1.

2. PERSONS EMPLOYED IN THE TOURIST INDUSTRY

There are no changes to the charges in respect of employees who are provided with accommodation and food. The rates for 1992/93 are to be used for 1993/94. (See Form T8 issued to Employers).

Employers' National Insurance Rebate

The temporary rebate on employers' secondary Class 1 National Insurance Contributions, which was introduced for the contribution year 6th April 1992 to 5th April 1993, will continue for one more year, i.e. 6th April 1993 to 5th April 1994.

Appendix 1

Car And Fuel Benefits 1993/94

Notes:-

1.1991/92 Comparatives are shown in brackets

2.Practice Note 28/90 refers

3.The rates for 1992/93 and 1993/94 are the same.

CARS MADE AVAILABLE TO EMPLOYEES FOR PRIVATE USE

Tables Of Flat Rate Cash Equivalentents Applicable For 1993/94

Table A

Care with an original market value up to £19,250 and having a cylinder capacity

	AGE OF CAR AT 05.04.94	
CYLINDER CAPACITY (CC)		
	UNDER 4 YEARS	4 YEARS OR MORE
1400 or less	£760 (£690)	£510 (£460)
1401 - 2000	£990 (£900)	£660 (£600)

More than 2000	£1,570 (£1,430)	£1,050 (£950)
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Table B

Care with an original market value of up to £19,250 and not having a cylinder capacity

	AGE OF CAR AT 05.04.94	
ORIGINAL MARKET VALUE		
	UNDER 4 YEARS	4 YEARS OR MORE
Less than £6,000	£760 (£690)	£510 (£460)
£6,000 - £8,500	£990 (£900)	£660 (£600)
£8,500 - £19,250	£1,570 (£1,430)	£1,050 (£950)

Table C

Cars with an original market value of more than £19,250

	AGE OF CAR AT 05.04.94	
ORIGINAL MARKET VALUE		
	UNDER 4 YEARS	4 YEARS OR MORE
£19,250 - £29,000	£2,060 (£1,870)	£1,380 (£1,250)
MORE THAN £29,000	£3,280 (£2,980)	£2,180 (£1,980)

Fuel Provided For Cars Available For Private Use

Tables Of Cash Equivalents Applicable For 1993/94 Table A

Cars with an internal combustion engine with one or more reciprocating pistons with a cylinder capacity calculated as for the purposes of the Licensing and Registration of Vehicles Act 1985.

CYLINDER CAPACITY(CC)	CASH EQUIVALENT
1400 or less	£530 (£480)
1401 - 2000	£660 (£600)
MORE THAN 2000	£990 (£900)

Table B

Cars other than described at Table A

ORIGINAL MARKET VALUE	CASH EQUIVALENT
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Less than £6,000	£530 (£480)
£6,000 - £8,499	£660 (£600)
£8,500 or more	