

Self Assessment Success 2019/20

Introduction: Personal Allowance

Sarah has a net income of £56,000. Calculate her tax liability for the tax year 2019/20.

Net Income	£56,000
Less: Personal Allowance	£12,500
<u>Taxable Income</u>	<u>£43,500</u>

£37,500	@ 20% =	£7,500
£6,000	@ 40% =	£2,400
<u>£43,500</u>		<u>£9,900</u>

Mark has a net income of £97,000. Calculate his tax liability for the tax year 2019/20.

Net Income	£97,000
Less: Personal Allowance	£12,500
<u>Taxable Income</u>	<u>£84,500</u>

£37,500	@ 20% =	£7,500
£47,000	@ 40% =	£18,800
<u>£84,500</u>		<u>£26,300</u>