

Self Assessment Success 2019/20

Investment: Savings

Sue receives taxable savings income of £12,000, dividends of £3,000 and non savings income of £80,000 in the 2019/20 tax year. Calculate her tax liability.

$£12,000 + £3,000 + £80,000 = £95,000$. This makes Sue a higher rate taxpayer.

Non Saving

Basic Rate	£37,500	x 20%	£7,500
Higher Rate	£42,500	x 40%	£17,000

Savings

Savings Allowance	£500	x 0%	£0
Higher Rate	£11,500	x 40%	£4,600

Dividends

Dividend Allowance	£2,000	x 0%	£0
Higher Rate	<u>£1,000</u>	x 32.5%	<u>£325</u>
	£95,000		£29,425

Self Assessment Success 2019/20

Investment: Savings

Ben receives taxable savings income of £20,000, dividends of £10,000 and non savings income of £160,000 in the 2019/20 tax year. Calculate his tax liability.

£20,000 + £10,000 + £160,000 = £190,000. This makes Ben an additional rate taxpayer.

Non Saving

Basic Rate	£37,500	x 20%	£7,500
Higher Rate	£112,500	x 40%	£45,000
Additional Rate	£10,000	x 45%	£4,500

Savings

Additional Rate	£20,000	x 45%	£9,000
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Dividends

Dividend Allowance	£2,000	x 0%	£0
Higher Rate	<u>£8,000</u>	x 38.1%	<u>£3,048</u>
	£95,000		£69,048