

Self Assessment Success 2019/20

Gift Aid: Introduction

Belle has income from employment for the 2019/20 tax year of £99,000. During the year she gives £9,000 to charity using gift aid. Calculate her income tax liability.

Income	£99,000
Less: Personal Allowance	£12,500
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Taxable Income	£86,500
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Basic Rate Band: $£37,500 + (£9,000 \times 100/80) = £48,750$

Income Tax	
£48,750 x 20%	£9,750
£37,750 x 40%	£15,100
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Income Tax Liability	£24,850