

## Capital Allowances

	2018/19 %	2017/18 %
Plant and machinery:		
first year allowance	100	100
writing-down allowance	25	25
Industrial buildings:		
initial allowance	100	100
writing-down allowance	4	4
Tourist premises:		
initial allowance	100	100
writing-down allowance	10	10
Agricultural buildings:		
initial allowance	100	100
writing-down allowance	10	10

## VAT Registration Limits

From 1/4/18 • Annual turnover limits:	£
Registration (last 12 months or next 30 days)	85,000
Deregistration	83,000
Standard rate	20%

## Pension Schemes

### Contribution Limits are

- Annually £50,000
- No Lifetime limit
- Tax relief up to 100% of relevant earnings
- Tax relief up to £3,600 even if no relevant earnings

### No compulsion to purchase an annuity

- 30% tax free lump sum

New pension freedom scheme introduced from 06/04/2018

Please visit our website at [www.crowe.im](http://www.crowe.im) for up-to-date information.

The details in this leaflet are based on the latest available information. We have made every effort to ensure the accuracy of this publication but you should always obtain professional guidance before acting or refraining from any action as a result of its contents.



**Crowe  
Clark  
Whitehill LLC**  
CHARTERED ACCOUNTANTS

- Audit and accountancy
- Business advice
- Tax advice and compliance
- Estate planning
- Payroll and outsourcing
- Company incorporations
- Company administration
- Trust services

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# tax guide

## 2018/2019



## Manx pocket tax guide



**Crowe  
Clark  
Whitehill LLC**  
CHARTERED ACCOUNTANTS

## Income Tax Rates

## National Insurance Contributions

## Benefits in Kind - Cars and Petrol

Resident Individuals	2018/19			2017/18		
	Rate %	Band of taxable income £	Cumulative tax £	Rate %	Band of taxable income £	Cumulative tax £
single	10 20	1-6,500 over 6,500	650	10 20	1-6,500 over 6,500	650
married	10 20	1-13,000 over 13,000	1,300	10 20	1-13,000 over 13,000	1,300

An election can be made by an individual to cap income tax liability (rates as from 6th April 2018) at £150,000 or £300,000 if jointly assessed. Once an election is made, the tax cap will apply for 5 consecutive tax years.

### Companies

- Companies with banking business income pay tax at 10%.
- Companies with retail business and taxable income from this source of more than £500,000 pay tax at 10%.
- Other companies taxable at 0%.
- Companies may opt to pay tax at 10%.
- Companies receiving income from Manx land and property pay tax at 20%.

## Personal Allowances

	2018/19 £	2017/18 £
Personal:		
single person	13,250	12,500
married couple (fully transferable between spouses if jointly assessed)	26,500	25,000
Additional allowances (for widows and others in receipt of one parent benefit)	6,400	6,400
Blind/disabled person:	2,900	2,900
Co-habiting couples (Max):	6,400	6,400
Reliefs @ 10%:		
Nursing Expenses (Max)	12,500	12,500
Charitable Donations (Max)	7,000	7,000
Private Medical Insurance	1,800	1,800
Interest paid to Manx Resident Lenders is limited to	5,000*	5,000

\*Restricted to £5,000 per individual, or if jointly assessed the limit is £10,000.

### Notes:

Subject to certain conditions, Personal Allowance Credit of £400 is available in full if income is less than £9,500. There is no capital gains tax or inheritance tax in the Isle of Man.

2018/19	Employees	Employers
Class 1 Employed Not contracted out – on all earnings per week		
Up to £118.00	Nil / 0%	Nil / 0%
£118.01 to £784.00	11%	12.8%
Over £784.00	1%	12.8%
Class 2 fixed per week – no liability if earnings below £6,136 p.a.		£5.40
Class 4 earnings related on profits between £6,136 and £40,768		8%
Over £40,768		1%
Class 3 Non-employed Voluntary rate per week		£14.65

2017/18	Employees	Employers
Class 1 Employed Not contracted out – on all earnings per week		
Up to £118.00	Nil / 0%	Nil / 0%
£118.01 to £784.00	11%	12.8%
Over £784.00	1%	12.8%
Class 2 fixed per week – no liability if earnings below £6,136 p.a.		£5.40
Class 4 earnings related on profits between £6,136 and £40,768 p.a.		8%
Over £40,768		1%
Class 3 Non-employed Voluntary rate per week		£14.25

2018/19	Car Rate	Fuel Rate
Cylinder Capacity (cc)	Nil	Nil
Electric Cars (regardless of cylinder capacity)		
1000 or less	£800	£800
1001 – 1200	£1,100	£950
1201 – 1800	£3,600	£1,500
1801 – 2500	£5,000	£1,750
2501 – 3500	£7,000	£2,000
3501 – 5000	£10,000	£2,250
More than 5000	£12,000	£2,500

2017/18	Car Rate	Fuel Rate
Cylinder Capacity (cc)	Nil	Nil
Electric Cars (regardless of cylinder capacity)		
1000 or less	£800	£800
1001 – 1200	£1,100	£950
1201 – 1800	£3,600	£1,500
1801 – 2500	£5,000	£1,750
2501 – 3500	£7,000	£2,000
3501 – 5000	£10,000	£2,250
More than 5000	£12,000	£2,500

### Notes:

1. No deduction in the charges for the age of the vehicle.
2. No increase or decrease in the charges based on the annual business mileage.
3. Where a second car is made available concurrently to the same employee or a family member the above charge is applied to the car.