

Taxation

INCOME TAX (on investors' interest)

Fiscal year	Basic rate %	Composite rate* %	Fiscal year	Basic rate %	Composite rate* %
1939-40	35.00	12.96	1975-76	35.00	27.75
1940-41	42.50	20.77	1976-77	35.00	27.75
1941-42	50.00	28.75	1977-78	34.00	24.25
1942-43	50.00	28.75	1978-79	33.00	22.50
1943-44	50.00	28.75	1979-80	30.00	21.00
1944-45	50.00	30.00	1980-81	30.00	22.50
1945-46	50.00	30.00	1981-82	30.00	25.50
1946-47	45.00	23.75	1982-83	30.00	25.25
1947-48	45.00	22.50	1983-84	30.00	25.00
1948-49	45.00	21.25	1984-85	30.00	25.25
1949-50	45.00	25.83	1985-86	30.00	25.25
1950-51	45.00	24.58	1986-87	29.00	25.25
1951-52	47.50	26.25	1987-88	27.00	24.75
1952-53	47.50	25.83	1988-89	25.00	23.25
1953-54	45.00	24.17	1989-90	25.00	21.75
1954-55	45.00	25.42	1990-91	25.00	22.00
1955-56	42.50	24.17	1991-92	25.00	
1956-57	42.50	26.67	1992-93	25.00	
1957-58	42.50	27.50	1993-94	25.00	
1958-59	42.50	27.92	1994-95	25.00	
1959-60	38.75	25.62	1995-96	25.00	
1960-61	38.75	26.67	1996-97	20.00	
1961-62	38.75	27.08	1997-98	20.00	
1962-63	38.75	27.50	1998-99	20.00	
1963-64	38.75	27.08	1999-2000	20.00	
1964-65	38.75	29.17	2000-01	20.00	
1965-66	41.25	30.83	2001-02	20.00	
1966-67	41.25	31.25	2002-03	20.00	
1967-68	41.25	31.25	2003-04	20.00	
1968-69	41.25	32.08	2004-05	20.00	
1969-70	41.25	32.25	2005-06	20.00	
1970-71	41.25	32.75	2006-07	20.00	
1971-72	38.75	31.00	2007-08	20.00	
1972-73	38.75	30.00	2008-09	20.00	
1973-74	30.00	23.50	2009-10	20.00	
1974-75	33.00	26.25	2010-11	20.00	
			2011-12	20.00	

Notes:

*Composite rate tax was abolished with effect from April 1991.

Interest is paid or credited by building societies and banks after deduction of income tax at the lower rate of 20% or, subject to the required certification, gross. Individuals who are non-taxpayers, and who have not registered to receive their interest without tax deducted, can claim a repayment of tax from HM Revenue & Customs. Individuals with taxable income in the 10 per cent starting rate band who are due to pay less tax than the amount deducted from their interest can also claim such a repayment. Individuals whose interest falls within the 22 per cent basic rate band will have no more tax to pay on their interest, as the tax deducted from it at 20 per cent will satisfy the tax due. Individuals who are higher rate taxpayers will have to pay the extra tax due on their interest (the difference between tax deducted at 20 per cent and the higher rate of 40 per cent).