



Finance Act 2003

2003 CHAPTER 14

PART 6

INCOME TAX AND CORPORATION TAX: CHARGE AND RATE BANDS

Income tax

131 Charge and rates for 2003-04

Income tax shall be charged for the year 2003-04, and for that year—

- (a) the starting rate shall be 10%;
- (b) the basic rate shall be 22%;
- (c) the higher rate shall be 40%.

132 Indexed rate bands for 2003-04: PAYE deductions etc

For the year 2003-04, section 1(5A) of the Taxes Act 1988 (which provides that statutory inflation-linked changes to income tax rate bands for a year of assessment do not require changes to be made to PAYE deductions or repayments until 18th May in that year) shall have effect as if “14th June” were substituted for “17th May”.

Corporation tax

133 Charge and main rate for financial year 2004

Corporation tax shall be charged for the financial year 2004 at the rate of 30%.

134 Small companies' rate and fraction for financial year 2003

For the financial year 2003—

- (a) the small companies' rate shall be 19%, and

Status: This is the original version (as it was originally enacted).

- (b) the fraction mentioned in section 13(2) of the Taxes Act 1988 (marginal relief for small companies) shall be $11/400$ ths.

135 Corporation tax starting rate and fraction for financial year 2003

For the financial year 2003—

- (a) the corporation tax starting rate shall be 0%, and
- (b) the fraction mentioned in section 13AA of the Taxes Act 1988 (marginal relief for small companies) shall be $19/400$ ths.