

Cost of minor tax allowances and reliefs ^{(1) (2)}

£m

	Estimated cost for	
	2010-11	2011-12
Income tax		
Blind person's allowance*	10	10
Farming etc averaging of profits*	neg	neg
Post-trading expenditure	5	5
Exemption of:		
Life Insurance Premiums for contracts made prior to 14th March 1984	15	10
Life annuities interest (3)	neg	neg
Child Trust Fund	neg	neg
First £70 of National Savings Bank ordinary account interest*	neg	neg
Guardian's allowance	neg	neg
NI benefit child dependancy additions (4)*	neg	neg
Severe disablement allowance (5)*	15	20
Allowances to rehabilitees	neg	neg
Maternity allowance (6)	15	10
£10 Christmas bonus for pensioners*	10	10
Pensions and annuities paid to holders of the Victoria Cross and certain other gallantry awards	neg	neg
Children's allowance to Forces' widows	neg	neg
Benefit of medical expenses paid by employer when employee falls sick when abroad	neg	neg
Bereavement payments (formerly widows' payments)*	neg	neg
Benefit of alterations to accommodation by reason of employment	neg	neg
Special security measures	neg	neg
Certain expenses of MPs, government ministers etc (7)	5	5
15p luncheon voucher	neg	neg
Income tax and corporation tax (8)		
Rollover relief for balancing charges on ships*	neg	neg
Community Investment Tax Relief (CITR)	neg	neg
Business Premises Renovation Allowance (BPRA)	30	30
Landlord's Energy Saving Allowance	5	5
National insurance contributions		
Relief for:		
Enterprise Management Incentives*	40	45
Approved Company Share Option Plans *	25	25
Corporation tax		
Corporate Venturing Scheme	neg	0
Land Remediation Relief* (9)	40	40
Film Tax Relief (10)	neg	neg
Petroleum revenue tax (11)		
Relief for exploration and appraisal expenditure	neg	neg
Cross field allowance	neg	neg
Relief for research expenditure	neg	neg
Unrelieved field loss	10	5
Capital gains tax		
Relief for trading losses against capital gains (12)*	10	10
Stamp Duty Land Tax		
Disadvantaged Area Relief	10	10
Part Exchange relief	10	20
Reconstruction relief	5	5
Relocation of employment	neg	5
Compulsory purchase facilitating development	5	neg
Acquisition relief	5	5
Transfers involving public bodies	10	10
Acquisition by bodies established for national purposes	neg	neg
Zero Carbon Homes relief	neg	neg
Incorporation of limited liability partnership	5	5
Demutualisation of an insurance company	neg	neg
Diplomatic privileges relief	neg	neg
Collective enfranchisement by leaseholders	neg	5
Compliance with planning obligations	neg	neg
Right to buy transactions	neg	neg
Transfer in consequence of reorganisation of parliamentary constituencies	neg	neg
Crofting community right to buy (applies in Scotland only)	neg	neg

Inheritance tax		
Successive charges relief*	5	5
Taper relief on transfers between three to seven years before death*	25	25
Double taxation relief	neg	neg
Woodlands Relief	neg	neg
Conditional exemption for Heritage Property (13)	25	25
Deaths on active service	neg	neg
Transfers to political parties on death	neg	neg
Interest-free instalments	neg	neg
Value added tax (14)		
Reduced rate of VAT on children's car seats	15	20
Reduced rate of VAT on contraceptive products	10	10
Reduced rate of VAT on energy saving materials	20	20
Reduced rate of VAT on smoking cessation products	10	15
Reduced rate of VAT on women's sanitary products	35	45
Zero rate of VAT on cycle helmets*	10	15
Zero rate of VAT on sales of empty homes	neg	neg
Exemption for cultural admission charges*	30	35
Excise Taxes		
Small Brewers Relief	30	30
Small Lottery Exemptions (Licensed) (15)	25	30
Landfill tax		
Exemption for dredging waste	neg	neg
Exemption for pet cemeteries	neg	neg
Climate change levy		
Exemption of energy used in some forms of transport	25	25
Exemption of natural gas in Northern Ireland	5	5
Exemption of energy supplies not used as fuel	30	30
Exemption of taxable commodities used in certain metal recycling processes	5	5
Aggregates levy		
Exemption for china clay waste and ball clay waste	5	5
Exemption for building ('dimension') stone	5	5
Exemption for material arising from utility works	neg	neg
Relief under the aggregates levy credit scheme in Northern Ireland	20	0
Relief for aggregate exported from the UK	20	20

*These figures are particularly tentative and subject to a wide margin of error.

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NOTES

(1) Only tax allowances and reliefs costing less than £50 million in both years are included here. Reliefs with higher costs, where they can be estimated are given in table 1.5.

(2) These figures fall outside the scope of National Statistics.

(3) Relief for those aged 65 and over who take out loans to buy a life annuity (a home income plan) ended with effect from 9 March 1999, but existing loans will continue to qualify for relief for the remainder of the loan period.

(4) Replaced by child tax credit from 6 April 2003 but recipients at that date remain entitled.

(5) Abolished from 6 April 2001 but recipients at that date remain entitled.

(6) Excludes taxable Statutory Maternity Pay.

(7) These figures also include an estimate of the cost of National Insurance Contributions.

(8) Included in capital allowances figures in table 1.5.

(9) These figures represent only the negative tax element of Land Remediation Relief. Negative tax is that part of the tax relief due to the enhanced expenditure (i.e. amounts in excess of 100 per cent of the expenditure) which offsets liability to corporation tax. Directly payable tax credits are treated as public expenditure and are not included in these figures. The equivalent figures for the public expenditure element of Land Remediation Relief are estimated to be £10 million in 2010-11 and in 2011-12.

(10) These figures represent only the negative tax element of the new Film Tax Relief introduced from January 2007. Negative tax is that part of the tax relief due to the enhanced expenditure (i.e. amounts in excess of 100 per cent of the expenditure) which offsets liability to corporation tax. Directly payable tax credits are treated as public expenditure and are not included in these figures. The equivalent figures for the public expenditure element of the new Film Tax Relief are estimated to be £200 million in 2010-11 and £190 million in 2011-12.

(11) The figures are net of any consequential effect on corporation tax and represent the effect on calendar year accruals in 2010 and 2011.

(12) The figures take into account the subsequent effect on income tax liability of the earlier use of trading losses against capital gains.

(13) The cost of this relief is highly influenced by occasional large cases, and has varied between £20m and £90m in the last 5 years. Since individual years do not give an accurate impression of medium-term cost, this table shows the average annual cost between 2005-06 and 2009-10.

(14) All the cost estimates relating to VAT are based on the actual standard rate of VAT that applied in the relevant periods.

(15) Excludes the Health Lottery, introduced on 29th September 2011, for which stakes information is not yet available.