

On the Subject of Tax Returns

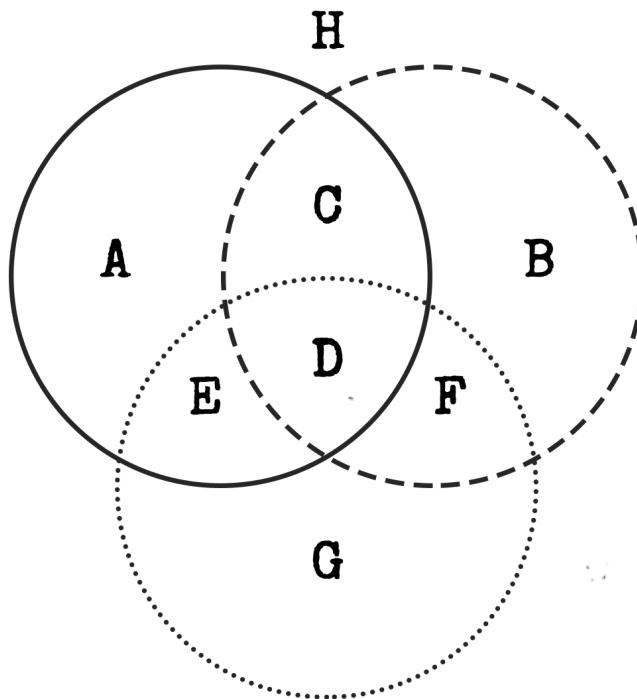
I'm not going to lie; now is probably not the best time to be getting on top of your paperwork...

- The module consists of two sections. The first contains financial records for the year. The second contains the HMRC tax returns terminal. Alternate between the two sections by pressing the toggle switch.
- To defuse the module, calculate and input the correct amount of tax due.
- Please note that HMRC do not concern themselves with pence. Therefore, ALL of your calculations should be rounded DOWN to the nearest pound.
- Calculate your **gross turnover**.
- Calculate your **gross expenses**.
- Calculate your **pension contributions** using the table below:

	Turnover	Expenses
Jan	£45.39	£45.30
		£4.30
		£4.05
Feb	£47.34	£20.05
		£3.60
		£2.30
Mar	£43.82	£43.37
		£2.05
		£0.30

No indicators	Lit indicators > unlit indicators	Unlit indicators > lit indicators	Lit indicators = unlit indicators
0% of gross turnover	5% of gross turnover	10% of gross turnover	15% of gross turnover

- Calculate your **tax-free investments** using the Venn diagram and table.
- Multiply the investment by the number of distinct port types on the bomb.



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|---------------------------------------|
| ○ First letter of surname is A-M |
| ○ Last letter of NI Number is A or C |
| ○ Last digit of Payroll Number is odd |

Letter	Company	Investment
A	Vodafone Grp.	£599
B	GlaxoSmithKline	£1,241
C	Barclays	£478
D	Lloyds Grp.	£932
E	Experian	£81
F	Halma	£736
G	Easyjet	£1,647
H	NA	No investment

- Calculate your **gross profit**.
- Calculate your **tax-free allowance**.

- **Income Tax** is paid at three rates.
- You do not pay Income Tax on gross profits up to your tax-free allowance.
- Thereafter, you must pay the percentage of tax on gross profits over each threshold at the following rates:
 - Basic Rate (BR) is 20% of gross profits between £1 and £34,500.
 - Higher Rate (HR) is 40% of gross profits between £34,501 and £138,500
 - Additional Rate (AR) is 45% of gross profits over £138,500.

- **Class 4 National Insurance Contributions** are paid at two rates.
- Remember that pension contributions and tax-free investments are subject to National Insurance.
 - The Standard Rate is 9% of gross turnover (less expenses) between £8,424 and £46,350.
 - The Excess Rate is 2% of gross turnover (less expenses) over £46,350.
- Enter your **total tax bill** into the HMRC terminal to disarm the module.
- HMRC impose a deadline on submitting your tax returns. This can be seen on the HMRC returns terminal.
- Missing the deadline or submitting your returns inaccurately will cause a strike.

Glossary of Terms

Name	Description
Class 4 National Insurance Contributions	A percentage of money owed to the government, traditionally ring-fenced for the National Health Service. National Insurance is calculated at two flat rates.
Gross Expenses	The amount of money that has been spent on the day-to-day running of the business. This is the sum of each month's expenses. Expenses are NOT subject to Income Tax or National Insurance.
Gross Profit	The amount of profit made by the business after gross expenses, pension contributions and tax-free investments have been deducted from the gross turnover.
Gross Turnover	The amount of money taken by the business in a given year. This is the sum of each month's turnover.
Income Tax	A percentage of money owed to the government. Income Tax is calculated on a sliding scale.
Pension Contributions	Money invested into a pension fund for retirement. Pension contributions are NOT subject to Income Tax but ARE subject to National Insurance.
Tax-Free Allowance	The amount of gross profit the business is allowed to earn without being subject to Income Tax. The standard figure is £11,850. This is reduced by £1 for every £2 of gross profit generated over £100,000.
Tax-Free Investments	Money invested into various portfolios for future growth. Tax-free investments are NOT subject to Income Tax but ARE subject to National Insurance.
Total Tax Bill	The total amount of money owed to the government (including Income Tax and National Insurance Contributions).