

On 30 June 2011 Josie Jones, aged 42, ceased self-employment as a graphic designer. On 1 August 2011 she commenced employment with Typo plc as a creative director. The following information is available for the tax year 2011–12:

### **Self-employment**

(1) Josie's trading profits for the final two periods of trading were as follows:

	£
Year ended 30 April 2011	98,200
Two-month period ended 30 June 2011	16,600

Both these figures are before taking account of capital allowances.

(2) The tax written down value of the capital allowances main pool at 1 May 2010 was £13,200. On 21 May 2011 Josie purchased computer equipment for £3,600. All of the items included in the main pool were sold for £7,700 on 30 June 2011, with no item being sold for more than its original cost.

(3) Josie has unused overlap profits brought forward of £41,700.

### **Employment**

(1) Josie is paid a salary of £15,100 per month by Typo plc. The salary is paid on the last day of each calendar month.

(2) During August 2011 Typo plc paid £11,600 towards Josie's removal expenses when she permanently moved to take up her new employment with the company as she did not live within a reasonable commuting distance. The £11,600 covered both her removal expenses and the legal costs of acquiring a new main residence.

(3) On 1 September 2011 Typo plc provided Josie with an interest free loan of £33,000 that she used to renovate her new main residence. This loan was still outstanding at 5 April 2012.

(4) During the period from 1 August 2011 to 5 April 2012, Josie was provided with free meals in Typo plc's staff canteen. The total cost of these meals to the company was £1,340. The canteen is available to all of the company's employees.

(5) During the period from 1 October 2011 to 5 April 2012, Typo plc provided Josie with a diesel powered motor car with an official CO2 emission rate of 149 grams per kilometre. The motor car, which has a list price of £14,400, cost Typo plc £13,900. Typo plc does not provide Josie with any fuel for private journeys.

(6) For the tax year 2011–12 Typo plc deducted a total of £43,777 in PAYE from Josie's earnings.

### **Other information**

(1) Josie owns two properties, which are let out. Property one qualifies as a trade under the furnished holiday letting rules, whilst property two is let out unfurnished. The income and allowable expenditure for the two properties for the tax year 2011–12 are as follows:

	<b>Property one</b>	<b>Property two</b>
	£	£
Income	6,600	7,200
Allowable expenditure	9,700	2,100

(2) During the tax year 2011–12 Josie received building society interest of £8,960 and dividends of £6,480. These were the actual cash amounts received.

(3) On 2 October 2011 Josie received a premium bond prize of £100.

(4) During the tax year 2011–12 Josie made gift aid donations totalling £4,400 (net) to national charities.

(5) Josie's payments on account of income tax in respect of the tax year 2011–12 totalled £34,400.

**Required:**

**(a) Calculate the income tax payable by Josie Jones for the tax year 2011–12.**

Note: You should indicate by the use of zero any items that are non-taxable/exempt from tax. (20 marks)