TFP Calculators

Chargeable Gain Income Tax

All details are input in Light Blue boxes

1. Select tax year in which the gains are assessed and taxable

2. Input names of client(s) and select taxpayer status.

3. Input full details of total gross taxable income.

4. Input any personal pension cont. and/or gift aid payment made

5. Select total number of chargeable gains to be assessed in the selected tax year.

6. Input investment bond of each chargeable gain.

Will then show the Top Slice Gain for each Investment bond.
The split of the chargeable gain and Top Slice Gain between bond-owners

Tax Year?	2024/25		
Name of Client 1	Client A	Name of Client 2	Client B
Taxpayer in?	UK (Exc Scotland	Taxpayer in?	UK (Exc Scotland)
Non Savings Income	49,070.00	Non Savings Income	0.00
Plus Buy To Let income? (2)	No	Plus Buy To Let income? (2)	No
Gross Savings income	0.00	Gross Savings Income	0.00
Gross Dividend income	0.00	Gross Dividend income	0.00
Taxable Redundancy (3)	0.00	Taxable Redundancy (3)	0.00
Total income	£49,070.00	Total income	£0.00
Gross Pension contribution	0.00	Gross Pension contribution	0.00
Gross Gift Aid	0.00	Gross Gift Aid	0.00

Total number of CEGs	2

	Provider	Onshore or Offshore?	Owner	Chargeable Gain (4)	Years for top-slicing (5)	Top sliced gain
1	ABC	Onshore	Client1	12,000.00	6	£2,000.00
2	DEF	Onshore	Client1	10,000.00	4	£2,500.00
			Client 1;	£22,000.00		£4,500.00
			Client 2;	£0.00		£0.00

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Chargeable Gain Income Tax
Client Tax page(s)

This page will show increase in income Tax liability are a result of Chargeable Event Gain(s)

Shows tax year of assessment and details of individual (client/spouse) to whom tax calculation applies

Tax Year?	2024/25
Name Client 1	Client A
Taxpayer in?	UK (Exc Scotland)
Non Savings Income	£49,070.00
Plus Buy To Let income? (2)	No
Rental Income	£0.00
Mortgage Interest	£0.00
Gross Savings income	£0.00
Gross Dividend income	£0.00
Taxable Redundancy (3)	£0.00
Total income	£49,070.00
Gross Pension contribution	£0.00
Gross Gift Aid	£0.00

Shows individual income tax liability excluding the surrender of the bond

Total Tax excluding Bond investments

Source	Amount	Tax due
Non Savings	£49,070.00	£7,300.00
Savings Income	£0.00	£0.00
Dividends	£0.00	£0.00
Redundancy	£0.00	£0.00
Total	£49,070.00	£7,300.00

Shows Chargeable Gain & Top-Slice Chargeable Gain on bond surrender

Bond Chargeable Gain	£22,000.00
Bond Top-Sliced Gain	£4,500.00

TFP understanding of the calculation of Top Slicing Relief as outlined in part 3840 of the Insurance Policyholder Taxation Manual (IPTM)

Step 1: Calculate total taxable income for the year

Check for loss of personal allowance

Adjusted Net Income	£71,070.00
Personal Allowance	£12,570.00
Starting Rate Band	£0.00
Personal Savings Allowance	£500.00

Total Tax liability

Source	Amount	Tax due
Non Savings	£49,070.00	£7,300.00
Savings Income	£0.00	£0.00
Intl Bond CG	£0.00	£0.00
Dividends	£0.00	£0.00
Redundancy	£0.00	£0.00
UK Bond CG	£22,000.00	£8,460.00
Total	£71,070.00	£15,760.00

Step 2: Calculate total tax due on gains across all tax bands

Source	Amount	Tax due
Non Savings	£49,070.00	£7,300.00
Savings Income	£0.00	£0.00
Dividends	£0.00	£0.00
Intl Bond CG	£0.00	£0.00
UK Bond CG	£22,000.00	£8,460.00

Tax on whole gain	£8,460.00
Deduct basic rate tax (20%) treated as paid	£4,400.00
Net tax	£4,060.00

Step 3: Calculate Annual Equivalent of gain £4,500.00

Step 4: Calculate individuals tax liability on Annual Equivalent

Adjusted Net Income	£53,570.00
Personal Allowance	£12,570.00
Starting Rate Band	£0.00
Personal Savings Allowance	£500.00

Source	Amount	Tax due
Non Savings	£49,070.00	
Savings Income	£0.00	
Dividends	£0.00	
Intl Bond CG	£0.00	£0.00
UK Bond CG	£4,500.00	£1,460.00

Tax on top-slice gain	£1,460.00
Deduct basic rate tax treated as paid	£800.00
Net tax	£660.00
Multiply by years	£2,737.78

Step 5: Calculate Top Slice Relief

Step 2 minus Step 4	£1,322.22

Net tax on gain

Tax on Bond investment	£8,460.00
Less notional tax	£4,400.00
Less TSR	£1,322.22
Tax on chargeable gain	£2,737.78

Shows individual income tax liability including the surrender of the bond

Additional tax that client will have to pay as a result of investment bond surrender

Summary: Total tax on income and gain

		Increase of:
Tax on non savings	£7,300.00	£0.00
Tax on savings	£0.00	£0.00
Tax on dividends	£0.00	£0.00
Tax on redundancy	£0.00	£0.00
Tax on gains	£2,737.78	£2,737.78
Total income tax to pay	£10,037.78	£2,737.78