

Income Tax

Main personal allowances and reliefs	2023/24	2022/23	
Standard personal allowance*	£12,570	£12,570	
Marriage/civil partner's transferable allowance	£1,260	£1,260	
Married couple's/civil partner's allowance (born before 06/04/1935)*	£3,640 - £9,415	£3,640 - £9,415	
Blind person's allowance	£2,870	£2,600	
Rent-a-room relief	£7,500	£7,500	
Property allowance and trading allowance (each)	£1,000	£1,000	
*Personal allowance is reduced by £1 for every £2 of adjusted net income over £100,000.			
*Married couple's/civil partner's allowance is reduced by £1 for every £2 of adjusted net income over £31,400, until minimum is reached.			
Non-Dividend, Non-Savings Income UK Taxpayers excluding Scottish taxpayers'	2023/24	2022/23	
20% basic rate on first slice of taxable income up to	£37,700	£37,700	
40% higher rate on next slice of taxable income	£37,700 - £125,140	£37,700 - £150,000	
45% additional rate on taxable income over	£125,140	£150,000	
Scottish taxpayers			
19% starter rate	£12,571 - £14,732	£12,571 - £14,732	
20% basic rate	£14,733 - £25,688	£14,733 - £25,688	
21% intermediate rate	£25,689 - £43,662	£25,689 - £43,662	
42% higher rate on (41% 2022/23)	£43,663 - £125,140	£43,663 - £150,000	
47% top rate on income over (46% 2022/23)	£125,140	£150,000	
All UK taxpayers			
Starting rate at 0% on band of savings income up to*	£5,000	£5,000	
Personal savings allowance at 0%	Basic rate	£1,000	
	Higher rate	£500	
	Additional rate	£0	
Dividend allowance at 0%	All individuals	£1,000	
	Tax rates on dividend income	Basic rate	8.75%
		Higher rate	33.75%
	Additional rate	39.35%	
Trusts: Standard rate band generally	£1,000	£1,000	
Rates applicable to trusts	Dividends	39.35%	
	Other income	45%	
*Not available if taxable non-savings income exceeds the starting rate band.			
High Income Child Benefit Charge – 1% of benefit per £100 of adjusted net income between £50,000 - £60,000			

Subject to relevant legislation, please seek professional advice before acting.

Registered Pensions

	2023/24	2022/23
Lifetime allowance	£1,073,100	£1,073,100
Money purchase annual allowance	£10,000	£4,000
Annual allowance*	£50,000	£40,000
Annual allowance charge on excess is at applicable tax rate(s) on earnings. Lifetime allowance charge if excess is drawn as cash 55%; as income 25%. Pension commencement lump sum up to 25% of pension benefit value. *Reduced by £1 for every £2 of adjusted income over £240,000 to a minimum of £4,000, subject to threshold income being over £200,000.		

State Pensions

	Annual	Weekly
New state pension – state pension age reached after 05/04/2016	£10,600.20	£203.85
Basic state pension – single person*	£8,122.40	£156.20
Basic state pension – spouse/civil partner*	£4,867.20	£93.60
*State pension age reached before 06/04/2016		

Tax Incentivised Investment

	2023/24	2022/23
ISA	£20,000	£20,000
Lifetime ISA	£4,000	£4,000
JISA & Child Trust Fund	£9,000	£9,000
Venture Capital Trust (VCT) at 30% relief	£200,000	£200,000
Enterprise Investment Scheme (EIS) at 30% relief*	£2,000,000	£2,000,000
EIS Eligible for CGT deferral relief	No limit	No limit
Seed Enterprise Investment Scheme (SEIS) at 50% relief	£200,000	£100,000
SEIS CGT reinvestment relief	50%	50%
*Above £1,000,000 investment must be in knowledge-intensive companies		

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National Insurance Contributions

Class 1		Employee	Employer
NICs rate		12.00%	13.80%
No NICs for employees generally on the first		£242 pw	£175 pw
No NICs* for:	Younger/veteran on first	£242 pw	£967 pw
	Freeport on first	£242 pw	£481 pw
NICs rate charged up to		£967 pw	No limit
2% NICs on earnings over		£967 pw	N/A
*Employees generally under 21 years and apprentices under 25 years. Veterans in first 12 months of civilian employment. Employees at freeports in Great Britain in the first three years of employment from 6 April 2022.			
Employment Allowance*			£5,000
*Not available if sole employee is a director or employer's NICs for 2022/23 was £100,000 or more.			
Limits and Thresholds		Weekly	Annual
Lower earnings limit		£123	£6,396
Primary threshold		£242	£12,570
Secondary threshold		£175	£9,100
Upper earnings limit (+ upper secondary thresholds)		£967	£50,270
Class 1A Employer NIC on taxable benefits			13.80%
Class 2 (Self-employed) Flat rate per week		£3.45	£179.40
<i>Small profits threshold</i>			£12,570
Class 4 (Self-employed)	£12,570 - £50,270		9.00%
	Over £50,270		2.00%
Class 3 Voluntary flat rate per week		£17.45	£907.40

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Capital Gains Tax

Tax Rates – Individuals		2023/24	2022/23
Below UK higher rate income tax band		10%	10%
Within UK higher and additional rate income tax bands		20%	20%
Tax Rate – Trusts and Estates		20%	20%
Surcharge for residential property and carried interest		8%	8%
Annual exempt amount	Individuals, estates, etc	£6,000	£12,300
	Trusts generally	£3,000	£6,150
Chattels gain limited to 5/3 of proceeds exceeding		£6,000	£6,000
Business Asset Disposal Relief – 10% on lifetime limit of £1,000,000 for trading businesses and companies (minimum 5% participation) held for at least 2 years.			

Inheritance Tax

		2023/24	2022/23		
Nil-rate band*		£325,000	£325,000		
Residence nil-rate band*		£175,000	£175,000		
Rate of tax on excess		40%	40%		
Rate if at least 10% of net estate is left to charity		36%	36%		
Lifetime transfers to and from certain trusts		20%	20%		
Overseas domiciled spouse/civil partner exemption		£325,000	£325,000		
100% relief: Businesses, unlisted/AIM companies, certain farmland/buildings					
50% relief: Certain other business assets e.g. farmland let before 01/09/1995					
Annual exempt gifts		£3000 per donor £250 per donee	£3000 per donor £250 per donee		
Tapered tax charge on lifetime gifts within 7 years of death					
Years between gift and death	0-3	3-4	4-5	5-6	6-7
Rate of tax on the gift	40%	32%	24%	16%	8%
*Up to 100% of the unused proportion of deceased spouse's/civil partner's nil-rate band and/or residence nil-rate band can be claimed on the survivor's death.					
*Estates over £2,000,00: the value of the residence nil-rate band is reduced by 50% of the excess over £2,000,000.					

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Corporation Tax

	2023/24	2022/23
Profits		19%
Small profits rate <£50,000	19%	
Marginal relief fraction	3/200	
Main rate >£250,000	25%	
Diverted profits	25%	25%
Loans to participators	33.75%	33.75%

Value Added Tax (VAT)

	2023/24	2022/23
Standard rate	20%	20%
Domestic fuel	5%	5%
Installation of energy saving materials (excluding NI)	0%	0%
Registration level (turnover)	£85,000	£85,000
Deregistration level (turnover)	£83,000	£83,000
Flat rate scheme turnover limit	£150,000	£150,000
Cash and annual accounting schemes turnover limit	£1,350,000	£1,350,000

Car Benefits

		2023/24		2022/23	
Taxable amount based on original list price and CO ₂ emissions in g/km.					
Zero emission cars		2%		2%	
Petrol and diesel hybrids with CO ₂ emissions 1-50g/km					
Range – electric-only miles	<30	30-39	40-69	70-129	130+
	14%	12%	8%	5%	2%
All non-diesel cars over 50g/km CO₂		51-54		55 & over	
		15%		16% - 37%*	
Diesels not meeting RDE2: add 4% to non-diesel rates, up to 37%					
Fuel Benefit – taxable amount for private use					
CO ₂ % charge used for car benefit multiplied by		£27,800		£25,300	

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Vans – For Private Use

Chargeable amounts	2023/24	2022/23
Zero emission	Nil	Nil
Other vans	£3,960	£3,600
Fuel	£757	£688

Tax-Free Business Mileage Allowance – Own Vehicle

Cars and vans first 10,000 miles	45p per mile	then 25p per mile
Qualifying passenger	5p per mile	
Motorcycles	24p per mile	
Bicycles	20p per mile	

Main Capital and Other Allowances

Plant & machinery (P&M) 100% annual investment allowance – To 31/03/2023		£1,000,000
P&M* super-deduction first year allowance (FYA) - To 31/03/2023		130%
Special rate P&M* FYA – To 31/03/2023		50%
Plant and Machinery**		18%
Patent rights and know-how**		25%
Special rate P&M e.g., long-life assets and integral features**		6%
Structures and buildings (straight line)		3%
Electric charge points		100%
Motor Cars		
CO ₂ emissions of g/km	0*	1-50 Over 50
Capital allowance	100% first year	18% pa** 6% pa**
*New and unused only		
**Annual reducing balance / 10% for freeport sites in GB		
Research and Development		
Capital Expenditure		100%
Revenue expenditure relief (SMEs) – Total including original expenditure		186%
Research and development expenditure credit (Large companies)		20%

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