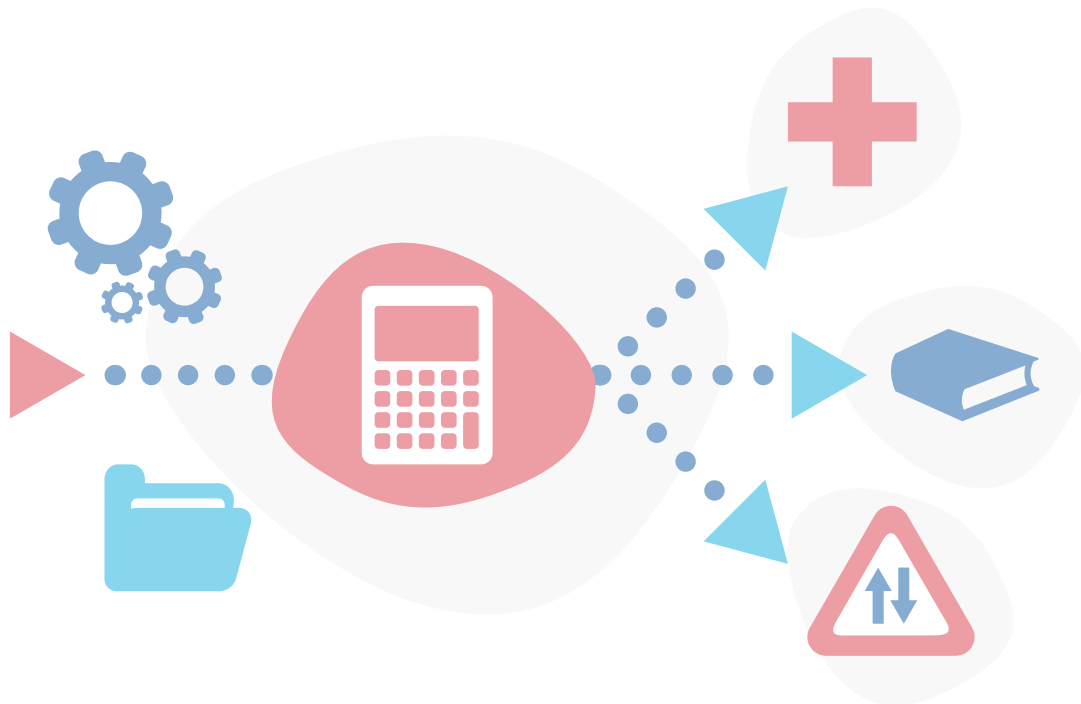


Tax card

2023/2024



Taxable income bands and tax rates		
	2023/24	2022/23
Savings starting rate limit	£5,000	£5,000
Savings starting rate	0%	0%
Basic rate band	£37,700	£37,700
Basic rate	20%	20%
Dividend ordinary rate	8.75%	8.75%
High rate band	£37,701-£125,140	£37,701-£150,000
Higher rate	40%	40%
Dividend upper rate	33.75%	33.75%
Additional rate band	over £125,140	over £150,000
Additional rate	45%	45%
Dividend additional rate	39.35%	39.35%
Allowances that reduce taxable income		
Personal allowance	£12,570	£12,570
Blind person's allowance	£2,870	£2,600
<i>The personal allowance is reduced by £1 for each £2 of adjusted net income from £100,000 to £125,140. We expect that the main income tax rate bands and allowances will now remain static until at least 5 April 2026.</i>		
Other allowances		
Personal savings allowance		
Basic rate taxpayers	£1,000	£1,000
Higher rate taxpayers	£500	£500
Additional rate taxpayers	Nil	Nil
Dividend allowance	£1,000	£2,000
Allowances that reduce tax		
*Married couple's allowance	£10,375	£9,415
**Marriage allowance	up to £1,260	up to £1,260
<i>*Where one spouse/civil partner is born before 6 April 1935. The allowance is reduced by £1 for each £2 of adjusted net income above £34,600 until a minimum of £4,010 for 2023/24, and £3,640 for 2022/23, is reached. Relief is given at 10%.</i>		
<i>**Where both spouses/civil partners are born on or after 6 April 1935. The marriage allowance allows an individual to transfer up to this amount of their personal allowance to their spouse or civil partner. Neither the transferor nor recipient can be liable to income tax at the higher or additional rate. Relief is given at 20%.</i>		

Inheritance tax		
	2023/24	2022/23
Nil rate band	£325,000	£325,000
<i>The inheritance tax nil rate band was set at £325,000 from 6 April 2009 and is now likely to remain static until at least 5 April 2026. A surviving spouse will receive a further nil rate band allowance based on the percentage of nil rate band not used by the predeceased spouse/civil partner. Subject to conditions, a residence nil rate band of £175,000 is available on transfers to direct descendants.</i>		
Tax rates		
Main rate	40%	40%
Chargeable on lifetime transfers	20%	20%
Transfers on or within seven years of death	40%	40%
Reduced rate where 10% of net chargeable estate left to charity	36%	36%
Main exemptions		
<ol style="list-style-type: none"> 1. Most transfers between spouses and civil partners. 2. First £3,000 of lifetime transfers in any tax year plus any unused from the previous year. 3. Gifts up to £250 p.a. to any number of persons. 4. Gifts made out of income that form part of normal expenditure and do not reduce the standard of living. 5. Gifts in consideration of marriage/civil partnership up to £5,000 by a parent, £2,500 by grandparents, or £1,000 by anyone else. 6. Gifts to charities, whether made during lifetime or on death. 		



Pension contributions		
	2023/24	2022/23
Maximum annual tax-efficient gross contributions to age	74	74
- Individuals	£3,600 or 100% of net relevant earnings to £60,000*	
- Employers	£0,000 less employee contributions	
Normal age for accessing benefits	55	
Lifetime allowance charge	55%	
Monies retained	25%	
On cumulative benefits exceeding	£1,073,100***	
Maximum tax-free lump sum	25%**	
<p>*The annual contribution may be increased to include the unused amounts from the previous three years, subject to specific conditions. The annual allowance is reduced by £1 for every £2 of adjusted income that exceeds £260,000 (2022/23 £240,000), up to a maximum of £50,000 (2022/23 £36,000) reduction. Those that earn £300,000 or more (or have combined income and pension input of this amount) will suffer a reduced annual allowance below the current minimum of £40,000 (2022/23 £10,000), with those earning £360,000+ capped at the minimum £10,000pa (2022/23 £4,000pa). The annual allowance is also reduced to £10,000 (2022/23 £4,000) where benefits have been taken from a defined contribution scheme, subject to specific conditions.</p> <p>**Subject to protection for excess amount.</p> <p>***The lifetime allowance limit will be removed from 6 April 2024.</p>		



National insurance	
Class 1 - Employee	
6 April 2023 - 5 July 2024	
Weekly earnings	Contribution rate
At or below £242	0%
£243 - £967*	12%
Above £967	2%
<p>Employees above state pension age do not have to pay NIC. *An election can be made for reduced rate of 5.85% to be apply to married women who are employees with valid certificates.</p>	
Class 1 - Employer	
Weekly earnings 2022/2023	Contribution rate
At or below £175*	0%
Above £175*	13.80%
<p>An employment allowance of £5,000 (2019/20 £3,000) per employer, per year, applies to those who paid less than £100,000 employers' NIC in the previous tax year (2022/23).</p> <p>*0% rate applies to all under 21s, apprentices under 25 years, eligible veterans for earnings up to £967 per week, and freeport and investment zone tax employees for earnings up to £481 per week.</p>	
Class 1A and 1B (employer)	
On relevant benefits	13.80%
Class 2	
Self employed	£3.45* per week
Small profits threshold	£6,725 per annum
Class 3	
Voluntary	£17.45 per week
Class 4**	
Self employed on profits £12,570 - £50,270	9%
Over £50,270	2%
<p>*Share fisherman pay £3.80 and volunteer development workers £6.15. **Exemption applies if the state retirement age is reached by 6 April 2023.</p>	



High income child benefit charge

	2022/23	2021/22
Threshold	£50,000	£50,000
<i>There is a tax charge of 1% of the child benefit received for each £100 that the threshold is exceeded up to a maximum of 100%.</i>		

ISA and Junior ISA

Annual investment limit	2022/23	2021/22
ISA	£20,000	£20,000
Junior ISA/ Child Trust Fund	£9,000	£9,000

Corporation tax

Financial year from 1 April	2023	2022
Taxable profits over £250,000	25%	19%
Taxable Profits between £50,001 and £249,999	25%	19%
Taxable profits up to £50,000	19%	19%

Capital gains tax

	2023/24	2022/23	
All gains except residential property and carried interest			
Lower (basic) rate	10%	10%	
Higher (higher and additional) rate	20%	20%	
Residential property and carried interest gains			
Lower (basic) rate	18%	18%	
Higher (higher and additional) rate	28%	28%	
Allowances and reliefs			
Annual exemption	Individuals	£6,000	£12,300
	Settle-ments	£3,000	£6,150
Business asset disposal relief	Applicable rate	10%	10%
	Lifetime limit	£1m	£1m
Investors' relief	Applicable rate	10%	10%
	Lifetime limit	£1m	£1m
<i>*Separate lifetime limit on gains for external investors. Applies to newly issued shares in unlisted trading companies which have been held for three years.</i>			



Main capital allowances	
Corporation tax allowances and reliefs	2023/24
Plant and machinery: main rate expenditure	18%
Long-life assets, integral features of buildings, thermal insulation	6%
Structures and buildings allowances (SBA)	3%
Annual investment allowance (AIA)	£1m
Enhanced capital allowances in freeports (ECA+)*	100%
Enhanced structures and buildings allowance (SBA+)*	10%
Full expensing: super-deduction**	130%
Full expensing: special rate FYA**	50%
R&D tax credits SME scheme	186%
R&D SME payable credit***	10%
R&D expenditure credit	20%
Patent box	10%
Film tax relief	25% / 34%
High-end TV tax relief	25% / 34%
Videogames tax relief	25% / 34%
<p><i>*Available from the date the site is designated until 30 September 2026.</i></p> <p><i>**From 1 April 2021 until 31 March 2023, companies investing in qualifying new plant and machinery assets will be able to claim a 130% super-deduction capital allowance on qualifying plant and machinery investment and a 50% first year allowance for qualifying special rate assets.</i></p> <p><i>***Film, high-end TV and videogames tax relief is to be increased to 34% from 1 January 2024.</i></p>	
FYA for electric cars or zero emission	100%
WDA if CO ₂ emissions are 50g/km or lower (not zero)	18%
WDA (second-hand vehicles) if CO ₂ emissions are less than 50g/km	6%
WDA if CO ₂ emissions exceed 50g/km	6%



Investment reliefs		
	Limit	Relief rate
Enterprise investment scheme	£1m	30%
Venture capital trust	£200,000	30%
Seed enterprise investment scheme	£200,000*	50%

*From 6 April 2018 up to £2m for 'knowledge intensive companies'.
*The limit for SEIS has increase from £100,000 to £200,000 from 6 April 2023.

Tax free mileage allowances				
Cars and vans	First 10,000 business miles p.a.	45p		
	Thereafter	25p		
Motorcycles	24p			
Bicycles	20p			
Business passenger	5p			
Fuel only allowance for company cars				
From 1 March 2022	Electric	Petrol	Diesel	LPG
Up to 1400cc*	9p	13p	13p	10p
1401**- 2000cc	9p	15p	15p	11p
Over 2000cc	9p	23p	20p	17p

These rates change on 1 March, 1 June, 1 September and 1 December each year.
*1600cc for diesel.
**1601cc for diesel.
Hybrid cars are treated as either petrol or diesel cars.

Vehicle and fuel benefits in kind (BIK)		
Cars first registered before 6 April 2020		
CO ₂ emissions figure	Electric range	2023/24
0	n/a	2%*
1-50	130 or more	2%
	70-129	5%
	40-69	8%
	30-39	12%
	Less than 30	14%
51-54		15%
55 or over		Add 1% for every 5g/km
160 and over		37% max
Diesel supplement		4%

The list price is on the day before first registration, including most accessories, and is reduced by any employee's capital contribution (max £5,000) when the car is first made available. Where the cost of all fuel for private use is borne by the employee, the fuel benefit is nil. Otherwise, the fuel benefit is calculated by applying the car benefit percentage to £27,800 (2022/23 £25,300). Vans where private use is more than home to work travel; £3,960 (2022/23 £3,600) benefit and £757 (2022/23 £688) for private fuel.
A nil rate of tax will apply to zero-emission vans within the van benefit charge. Cars that meet the Real Driving Emissions Step 2 (RDE2) standard are exempt from the diesel supplement.



Value added tax	
From 1 April 2017 - 31 March 2024	
Standard rate	20%
VAT fraction	1/6
Taxable turnover limits	
Registration (last 12 months or next 30 days over)	£85,000
Deregistration (next year under)	£83,000
Annual accounting scheme	£1.35m
Cash accounting scheme	£1.35m
Flat rate scheme*	£150,000
*If goods cost less than 2% of turnover or £1,000p.a. you will be classified as a 'limited cost business' and pay a rate of 16.5% irrespective of business type.	

Stamp taxes		
SDLT on the transfer of residential property*	Main residence	Second home or buy to let
Up to £250,000	0%	3%
The next £675,000 (from £250,001 to £925,000)	5%	8%
The next £575,000 (from £925,001 to £1.5m)	10%	13%
The remaining proportion (above £1.5m)	12%	15%
Qualifying purchases in freeport tax sites will be eligible for full SDLT relief. *15% for purchases by companies on value over £500,000 subject to exemptions. *Subject to conditions, first-time buyers pay 0% on up to £425,000 and 5% between £425,000 and £625,000. No relief available if purchase > £625,000. *The rates are different in Wales and Scotland. *Additional rate of 3% applies for second home and buy to let buyer, but it is excluded if purchase < £40,000.		
SDLT on the transfer of non-residential or mixed use property		
On the first £150,000	0%	
On the next £100,000	2%	
Balance above £250,000	5%	

