

## Corporation Tax

	FY 2023	FY 2022
Main rate (profits over £250,000 from 1 April 2023)	25%	19%
Small profits rate (profits below £50,000)	19%	–
Marginal relief fraction	3/200	–
Loans to participants	33.75%	33.75%

Taxable profits in excess of £250,000 will be taxed at 25%, the main rate. Profits between £50,000 and £250,000 will be subject to a marginal tapering relief which will provide for a gradual increase in the Corporation Tax rate.

## Pensions

Contributions	2023-24	2022-23
Lifetime allowance	abolished	£1,073,100
Maximum annual contribution	£60,000	£40,000
Tax on excess	Marginal rate	Marginal rate
Normal minimum pension age	55	55
Money purchase annual allowance	£10,000	£4,000

The annual allowance is tapered for taxpayers whose income exceeds £260,000 (2022-23: £240,000). The allowance is reduced by £1 for every £2 down to a minimum of £10,000 (2022-23: £4,000).

## Car, Van & Fuel Benefits

### Company cars

The annual benefit for company cars is based on a percentage of the list price. The percentage rate is dependent on the level of CO<sub>2</sub> emissions. The rate is 2% for zero emission cars and electric cars with a range greater than 130 miles with emissions from 1-50g/km. There are further variable rates from 1-50g/km. For emissions of 51-54g/km the rate is 15%. The rate then increases by 1% for each additional 5g/km above 55g/km up to a maximum rate of 37% reached at 160g/km.

The diesel supplement for cars not certified to RDE2 standard of 4% (max of 37%).

### Car fuel benefit

£27,800 (2022-23: £25,300) × 'appropriate percentage'.

The charge is reduced if provision of private fuel ceases part way through the year. The fuel benefit is reduced to nil if the employee pays for all private fuel.

Van benefit per vehicle	2023-24	2022-23
Van benefit	£3,960	£3,600
Fuel benefit	£757	£688

## Mileage Allowance Payment

Rate per mile	2023-24	2022-23
Cars & vans - up to 10,000 miles	45p	45p
- over 10,000 miles	25p	25p
Motorcycles	24p	24p
Bicycles	20p	20p

## Inheritance Tax

	2023-24	2022-23
Nil rate band for individuals*	£325,000	£325,000
Thereafter - lifetime gifts**	20%	20%
- lower rate on death***	36%	36%
- on death	40%	40%
Residence nil rate band	£175,000	£175,000

\* Unused nil rate band can be used by surviving spouse or civil partner.

\*\* Increased to 40%, subject to tapering relief, on gifts made between 3 and 7 years pre death. Certain lifetime gifts are exempt. Special rules for business property.

\*\*\* A lower rate applies where 10% or more of the net estate is left to charity.

Years before death	0-3	3-4	4-5	5-6	6-7
% of death charge	100%	80%	60%	40%	20%

### Main exempt lifetime gifts

Recurring annual gifts out of surplus income	unlimited
Annual gifts out of capital (with one year carry forward if unused)	£3,000
Small gifts (per recipient)	£250
Parental gift on marriage	£5,000
Grandparent or party to marriage	£2,500
Other gifts on marriage (per donor)	£1,000

### Business Property Relief

Shares in unquoted companies (including USM/AIM stocks)	100%
Shares in quoted companies - shareholding up to 50%	none
- shareholding over 50%	50%
Unincorporated business or interest in a business	100%
Land, buildings, plant and machinery used in the deceased's business/company	50%

## Tax Favoured Investments

Individual Savings Account (ISA)	2023-24	2022-23
ISA limit	£20,000	£20,000
Lifetime ISA	£4,000	£4,000
Junior ISA	£9,000	£9,000

### Venture Capital Trusts

Income Tax relief of up to 30% on investments up to £200,000.

### Enterprise Investment Scheme

Income Tax relief of up to 30% on qualifying share subscriptions up to £1,000,000. (up to £2,000,000 for qualifying investments in knowledge-intensive companies.)

### Seed Enterprise Investment Scheme

Income Tax relief of 50% on maximum £200,000 (2022-23: £100,000) with rollover of chargeable gains.

The information in this tax card is based upon the Autumn Statement 2022, Spring Budget 2023 and other announcements and may be subject to amendment.

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**TAX RATES 2023-24**

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Income Tax			
Bands: England & Northern Ireland		2023-24	2022-23
Savings starting rate – 0%		£1 - £5,000	£1 - £5,000
Basic rate – 20%		£1 - £37,700	£1 - £37,700
Higher rate – 40%		£37,701 - £125,140	£37,701 - £150,000
Additional rate – 45%		Over £125,140	Over £150,000
Bands: Scotland		2023-24	2022-23
Starter rate – 19%*		£1 - £2,162	£1 - £2,162
Basic rate – 20%		£2,163 - £13,118	£2,163 - £13,118
Intermediate rate – 21%		£13,119 - £31,092	£13,119 - £31,092
Higher rate – 42% (2022-23: 41%)		£31,093 - £125,140	£31,093 - £150,000
Additional rate – 47% (2022-23: 46%)		Over £125,140	Over £150,000
Bands: Wales		2023-24	2022-23
Savings starting rate – 0%		£1 - £5,000	£1 - £5,000
Basic rate – 20%		£1 - £37,700	£1 - £37,700
Higher rate – 40%		£37,701 - £125,140	£37,701 - £150,000
Additional rate – 45%		Over £125,140	Over £150,000

\* Assumes taxpayer is in receipt of the personal allowance.

Income Tax in Scotland and Wales is payable on non-savings and non-dividend income.

Dividend and savings		
	2023-24	2022-23
Dividend allowance	£1,000	£2,000
Dividend ordinary rate	8.75%	8.75%
Dividend upper rate	33.75%	33.75%
Dividend additional rate	39.35%	39.35%
Personal savings allowance		
- basic rate taxpayers	£1,000	£1,000
- higher rate taxpayers	£500	£500

Reliefs		
	2023-24	2022-23
Personal allowance	£12,570	£12,570
Registered blind person's allowance	£2,870	£2,600
Income limit for personal allowance*	£100,000	£100,000
Married couples allowance (born pre 6/4/35) at 10%	£10,375	£9,415
- Minimum amount	£4,010	£3,640
- Income limit	£34,600	£31,400
Marriage allowance**	£1,260	£1,260
Rent-a-room relief	£7,500	£7,500
High Income Child Benefit Charge*** on income over	£50,000	£50,000

There is a cap on Income Tax reliefs being the greater of £50,000 or 25% of income.

\* The personal allowance is withdrawn by £1 for every £2 of income over £100,000.

\*\* A taxpayer can transfer up to £1,260 (2022-23: £1,260) of their unused personal allowance to a spouse or civil partner who is not a higher rate taxpayer.

\*\*\* A tax charge of 1% is levied for each £100 that income exceeds £50,000 to a maximum of 100%.

National Insurance			
<i>Class 1 (employed)</i>			
<b>Earnings limits (weekly)</b>		<b>Employee (primary)</b>	<b>Employer (secondary)</b>
Up to £242 (EE)   £175 (ER)		0%	0%
£242.01 (EE)   £175.01 (ER) to £967		12%	13.8%
Over £967		2%	13.8%
Over State Pension age		0%	13.8%
Employers' contributions are 0% for employees under 21 and apprentices under 25 on earnings up to £967 per week.			
<i>Class 1A (employers only)</i>	13.8% on the amounts of taxable benefits		
<i>Class 1B (employers only)</i>	13.8% on PAYE settlement agreements		
<i>Class 2 (self-employed)</i>	£3.45 per week (unless earnings below lower profits limit)		
<i>Class 3 (voluntary)</i>	£17.45 per week		
<i>Class 4 (self-employed)</i>	9% of profits between £12,570 and £50,270 p.a plus 2% on profits above £50,270		

A National Insurance employment allowance of £5,000 (2022-23: £5,000) is available to offset against employers' Class 1 secondary NICs. The allowance is restricted to employers with employer NIC liabilities of under £100,000.

Capital Gains Tax			
Annual exempt amount		2023-24	2022-23
Individuals		£6,000	£12,300
Trusts		£3,000	£6,150
Rates		2023-24	2022-23
Standard rate taxpayers*		10%	10%
Higher rate taxpayers / Trustees*		20%	20%
* There is an 8% surcharge on the sale of chargeable residential property.			
Business Asset Disposal Relief lifetime limit @ 10%	£1,000,000	£1,000,000	£1,000,000
Investors' Relief lifetime limit @ 10%	£10,000,000	£10,000,000	£10,000,000

National Living and Minimum Wage rates			
National Living Wage		2023-24	2022-23
Aged 23 & over		£10.42 p.h.	£9.50 p.h.
National Minimum Wage		2023-24	2022-23
Aged 21 to 22		£10.18 p.h.	£9.18 p.h.
Aged 18 to 20		£7.49 p.h.	£6.83 p.h.
Aged 16 to 17		£5.28 p.h.	£4.81 p.h.
Apprentice rate		£5.28 p.h.	£4.81 p.h.

VAT			
Amounts		Rates	
Annual registration limit (from 1 April 2023)	£85,000	Standard rate	20%
Annual deregistration limit (from 1 April 2023)	£83,000	Reduced rate	5%
VAT Cash accounting scheme threshold	£1,350,000	Zero rate	0%
VAT Annual accounting scheme threshold	£1,350,000		

Capital Allowances			
		2023-24	2022-23
Plant and machinery			
- Main writing down allowance		18%	18%
- Long life assets, integral fixtures		6%	6%
- Full Expensing: 100% FYA		100%	-
- Full Expensing: Special Rate FYA		50%	50%
- Full Expensing: Super-deduction*		-	130%
- R&D tax credits SME Scheme		186%	230%
- R&D expenditure credit		20%	13%
- Annual Investment Allowance (AIA)	£1,000,000	£1,000,000	£1,000,000
- Structures and buildings allowance		3%	3%
* The temporary super-deduction that was introduced on 1 April 2021 expired on 31 March 2023. This measure has been replaced by the Full Expensing: 100% First Year Allowance until 31 March 2026.			

## Stamp Duty Land Tax and regional equivalents

England and Northern Ireland: Stamp Duty Land Tax (SDLT)			
Rates	Residential property	Rates	Non-residential and mixed use property
Zero	£0 - £250,000	Zero	£0 - £150,000
5%	£250,001 - £925,000	2%	£150,001 - £250,000
10%	£925,001 - £1,500,000	5%	Over £250,000
12%	Over £1,500,000		

A 2% surcharge on non-UK residents purchasing residential property applies from 1 April 2021.

Scotland: Land & Buildings Transaction Tax (SLBTT)			
Rates	Residential property	Rates	Non-residential and mixed use property
Zero	£0 - £145,000	Zero	£0 - £150,000
2%	£145,001 - £250,000	1%	£150,001 - £250,000
5%	£250,001 - £325,000	5%	Over £250,000
10%	£325,001 - £750,000		
12%	Over £750,000		

Wales: Land Transaction Tax (WLTT)			
Rates	Residential property	Rates	Non-residential and mixed use property
Zero	£0 - £225,000	Zero	£0 - £225,000
6%	£225,001 - £400,000	1%	£225,001 - £250,000
7.5%	£400,001 - £750,000	5%	£250,001 - £1,000,000
10%	£750,001 - £1,500,000	6%	Over £1,000,000
12%	Over £1,500,000		

All rates of **SDLT**, **SLBTT** and **WLTT** are applied on a graduated basis with the portion of the purchase price within each tier charged at the applicable rate.

A higher rate of **SDLT**, **SLBTT** and **WLTT** applies on most purchases of additional residential property such as buy to let and second homes.

There are some special reliefs for qualifying first-time buyers in England, Northern Ireland and Scotland. There are currently no specific measures targeting first-time buyers in Wales.