

Income Tax

Rates and bands (other than savings and dividend income)

2022/23		2021/22	
Band £	Rate %	Band £	Rate %
0 - 37,700	20	0 - 37,700	20
37,701 - 150,000	40	37,701 - 150,000	40
Over 150,000	45	Over 150,000	45

Income tax rates in Scotland and Wales on income other than savings and dividend income have been devolved.

Savings income 2022/23 and 2021/22

Savings allowance basic rate	£1,000
Savings allowance higher rate	£500

A starting rate of 0% may be available unless taxable non-savings income exceeds £5,000.

Dividend income 2022/23 2021/22

Dividend allowance	£2,000	£2,000
Dividend ordinary rate	8.75%	7.5%
Dividend upper rate	33.75%	32.5%
Dividend additional rate	39.35%	38.1%

Income Tax Reliefs

	2022/23	2021/22
Personal allowance	£12,570	£12,570
Personal allowance income limit	£100,000	£100,000
Marriage allowance	£1,260	£1,260
Married couple's allowance	£9,415	£9,125
- minimum amount	£3,640	£3,530
- income limit	£31,400	£30,400
Blind person's allowance	£2,600	£2,520

Individual Savings Accounts

	2022/23	2021/22
Overall investment limit	£20,000	£20,000
Junior account investment limit	£9,000	£9,000

Pensions

	2022/23	2021/22
Lifetime Allowance limit	£1,073,100	£1,073,100
Annual Allowance limit	£40,000	£40,000
Money Purchase Annual Allowance	£4,000	£4,000

Corporation Tax

	Rate %		Rate %
Year to 31.3.23	19	Year to 31.3.22	19

Different rates apply for ring-fenced (broadly oil industry) profit.

Devolved Income Tax

Scotland rates and bands - tbc for 2022/23 in Scottish Budget on 9 December 2021

2022/23		2021/22	
Band £	Rate %	Band £	Rate %
0 - xxx	-	0 - 2,097	19
xxx - xxx	-	2,098 - 12,726	20
xxx - xxx	-	12,727 - 31,092	21
xxx - xxx	-	31,093 - 150,000	41
Over xxx	-	Over 150,000	46

Wales rates and bands - tbc for 2022/23 in Welsh Budget on 20 December 2021

2022/23		2021/22	
Band £	Rate %	Band £	Rate %
0 - 37,700	-	0 - 37,700	20
37,701 - 150,000	-	37,701 - 150,000	40
Over 150,000	-	Over 150,000	45

National Insurance

2022/23 Class 1 (employed) rates

Employee		Employer	
Earnings per week	%	Earnings per week	%
Up to £190	Nil	Up to £175	Nil
£190.01 - £967	13.25	Over £175	15.05
Over £967	3.25		

Entitlement to contribution-based benefits for employees retained for earnings between £123 and £190 per week. The employer rate is 0% for certain military veterans, employees under 21 and apprentices under 25 on earnings up to £967 per week.

Class 1A (employers) 15.05% on employee taxable benefits

Class 1B (employers) 15.05% on PAYE Settlement Agreements

Class 2 (self-employed) flat rate per week £3.15
small profits threshold £6,725 per annum

Class 3 (voluntary) flat rate per week £15.85

Class 4 (self-employed) 10.25% on profits between £9,880 and £50,270 plus 3.25% on profits over £50,270

Inheritance Tax

Death rate	Lifetime rate	Chargeable transfers 2022/23 and 2021/22
Nil	Nil	0 - £325,000 (nil rate band)
40%	20%	Over £325,000

A further nil rate band of £175,000 may be available in relation to current or former residences.

Car, Van and Fuel Benefits

2022/23		
CO ₂ emissions g/km		% of list price taxed
0		2
1-50		
Electric range	130 or more	2
	70 - 129	5
	40 - 69	8
	30 - 39	12
	under 30	14
51-54		15
For every extra 5		+1
160 and above		37

For fully diesel cars generally add a 4% supplement (unless the car is registered on or after 1 September 2017 and meets the Euro 6d emissions standard) but the maximum is still 37%. For emissions of 75g/km or more if the CO₂ figure does not end in a 5 or 0 round down to the nearest 5 or 0.

2022/23

Car fuel benefit	£25,300
Van benefit	£3,600
Van fuel benefit	£688

Capital Allowances

Corporation tax super-deduction on certain plant and machinery **130%**

First Year Allowance (FYA) on certain plant, machinery and cars of 0g/km **100%**

Corporation tax FYA on long-life assets, integral features of buildings, etc. **50%**

Annual Investment Allowance (AIA) £1,000,000 (£200,000 from 1 April 2023)

Excludes cars

Writing Down Allowance

Long-life assets, integral features of buildings, cars over 50g/km **6%**

Other plant and machinery **18%**

Structures and Buildings Allowance **3%**

Value Added Tax

	From 1.4.22	From 1.4.21
Standard rate	20%	20%
Reduced rate	5%	5%*
Annual Registration Limit	£85,000	£85,000
Annual Dereistration Limit	£83,000	£83,000

*12.5% for hospitality and tourism from 1 October 2021 - 31 March 2022.

Capital Gains Tax

Individuals	2022/23	2021/22
Exemption	£12,300	£12,300
Standard rate	10%	10%
Higher/additional rate	20%	20%
Trusts		
Exemption	£6,150	£6,150
Rate	20%	20%

Higher rates (18/28%) may apply to the disposal of certain residential property and carried interest.

Business Asset Disposal Relief

The first £1m of qualifying gains are charged at 10%.

Property Taxes

Across the whole of the UK, residential rates may be increased by 3% (4% in Scotland and Wales) where further residential properties are acquired.

Stamp Duty Land Tax Land and buildings in England and N. Ireland

Residential Band £	Rate %	Non-residential Band £	Rate %
0 - 125,000	0	0 - 150,000	0
125,001 - 250,000	2	150,001 - 250,000	2
250,001 - 925,000	5	Over 250,000	5
925,001 - 1,500,000	10		
Over 1,500,000	12		

First-Time Buyer relief may apply to residential purchases up to £500,000.

Land and Buildings Transaction Tax Land and buildings in Scotland

Residential Band £	Rate %	Non-residential Band £	Rate %
0 - 145,000	0	0 - 150,000	0
145,001 - 250,000	2	150,001 - 250,000	1
250,001 - 325,000	5	Over 250,000	5
325,001 - 750,000	10		
Over 750,000	12		

First-Time Buyer relief may apply on the first £175,000 of residential purchases.

Land Transaction Tax Land and buildings in Wales

Residential Band £	Rate %	Non-residential Band £	Rate %
0 - 180,000	0	0 - 225,000	0
180,001 - 250,000	3.5	225,001 - 250,000	1
250,001 - 400,000	5	250,001 - 1,000,000	5
400,001 - 750,000	7.5	Over 1,000,000	6
750,001 - 1,500,000	10		
Over 1,500,000	12		