



TAX RATES 2019/20

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INCOME TAX

Rates and bands (other than savings and dividend income)

| 2019/20 | | 2018/19 | |
|------------------|--------|------------------|--------|
| Band £ | Rate % | Band £ | Rate % |
| 0 - 37,500 | 20 | 0 - 34,500 | 20 |
| 37,501 - 150,000 | 40 | 34,501 - 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 2019/20 and 2018/19

| | |
|-------------------------------|--------|
| 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 2019/20 and 2018/19

| | |
|--------------------------|--------|
| Dividend allowance | £2,000 |
| Dividend ordinary rate | 7.5% |
| Dividend upper rate | 32.5% |
| Dividend additional rate | 38.1% |

INCOME TAX RELIEFS

| | 2019/20 | 2018/19 |
|---------------------------------|----------|----------|
| Personal allowance | £12,500 | £11,850 |
| Personal allowance income limit | £100,000 | £100,000 |
| Marriage allowance | £1,250 | £1,190 |
| Married couple's allowance | £8,915 | £8,695 |
| - minimum amount | £3,450 | £3,360 |
| - income limit | £29,600 | £28,900 |
| Blind person's allowance | £2,450 | £2,390 |

INDIVIDUAL SAVINGS ACCOUNTS

| | 2019/20 | 2018/19 |
|---------------------------------|---------|---------|
| Overall investment limit | £20,000 | £20,000 |
| Junior account investment limit | £4,368 | £4,260 |

CAR, VAN AND FUEL BENEFITS

| Company cars 2019/20 | | <i>For 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 over 94g/km if the CO₂ figure does not end in a 5 or 0 round down to the nearest 5 or 0.</i> |
|--------------------------------|--------------------------------------|---|
| CO ₂ emissions g/km | Percentage of car's list price taxed | |
| 0-50 | 16 | |
| 51-75 | 19 | |
| 76-94 | 22 | |
| for every additional 5 | additional 1% | |
| 165 and above | 37% (maximum) | |

2019/20

| | |
|------------------|---------|
| Car fuel benefit | £24,100 |
| Van benefit | £3,430 |
| Van fuel benefit | £655 |

| Cars and vans mileage allowance | Rate per mile |
|---------------------------------|---------------|
| Up to 10,000 miles | 45p |
| Over 10,000 miles | 25p |

NATIONAL INSURANCE

2019/20 Class 1 (employed) rates

| Employee | | Employer | |
|-------------------|-----|-------------------|------|
| Earnings per week | % | Earnings per week | % |
| Up to £166 | Nil | Up to £166 | Nil |
| £166.01 - £962 | 12 | Over £166 | 13.8 |
| Over £962 | 2 | | |

Entitlement to contribution-based benefits for employees retained for earnings between £118 and £166 per week.

The employer rate is 0% for employees under 21 and apprentices under 25 on earnings up to £962 per week.

| | |
|--------------------------------|--|
| Class 1A (employers) | 13.8% on employee taxable benefits |
| Class 1B (employers) | 13.8% on PAYE Settlement Agreements |
| Class 2 (self-employed) | flat rate per week £3.00 small profits threshold £6,365 per annum |
| Class 3 (voluntary) | flat rate per week £15.00 |
| Class 4 (self-employed) | 9% on profits between £8,632 and £50,000 plus 2% on profits over £50,000 |

STAMP DUTY LAND TAX

Land and buildings in England and N. Ireland

Residential rates may be increased by 3% where further residential properties are acquired.

| Residential £ | Rate % | Non-residential £ | 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.

CAPITAL GAINS TAX

| Individuals | 2019/20 | 2018/19 |
|------------------------|---------|---------|
| Exemption | £12,000 | £11,700 |
| Standard rate | 10% | 10% |
| Higher/additional rate | 20% | 20% |
| Trusts | | |
| Exemption | £6,000 | £5,850 |
| Rate | 20% | 20% |

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

Entrepreneurs' Relief and Investors' Relief

The first £10m of qualifying gains are charged at 10%. Gains in excess of the limit are charged at the rates detailed above.

INHERITANCE TAX

| Death rate | Lifetime rate | Chargeable transfers 2019/20 and 2018/19 |
|------------|---------------|---|
| Nil | Nil | 0 - £325,000 (nil rate band) |
| 40% | 20% | Over £325,000 |

A further nil rate band of £150,000 (£125,000 for 2018/19) may be available in relation to current or former residences.

CORPORATION TAX

| | Rate % | | Rate % |
|-----------------|--------|-----------------|--------|
| Year to 31.3.20 | 19 | Year to 31.3.19 | 19 |

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

CAPITAL ALLOWANCES

First Year Allowance (FYA) on certain energy-efficient plant, machinery and cars up to 50g/km **100%**

Annual Investment Allowance (AIA) from 1 January 2019
£1,000,000 (£200,000)

Excludes cars and expenditure already qualifying for FYA

Writing Down Allowance

Expenditure not qualifying for AIA or FYA:

Long-life assets, integral features of buildings, cars over 110g/km. Rates reduced from April 2019. **6% (8%)**

Other plant and machinery **18%**

Structures and Buildings Allowance **2%**

From 29 October 2018 straight-line basis

PENSIONS

| | 2019/20 | 2018/19 |
|---------------------------------|------------|------------|
| Lifetime Allowance limit | £1,055,000 | £1,030,000 |
| Annual Allowance limit | £40,000 | £40,000 |
| Money Purchase Annual Allowance | £4,000 | £4,000 |

VALUE ADDED TAX

| | From 1.4.19 | From 1.4.18 |
|-----------------------------|-------------|-------------|
| Standard rate | 20% | 20% |
| Reduced rate | 5% | 5% |
| Annual Registration Limit | £85,000 | £85,000 |
| Annual Deregistration Limit | £83,000 | £83,000 |

Disclaimer: Rates are for guidance only. No responsibility for loss occasioned by any person acting/refraining from action as a result of this information can be accepted by the authors or firm.

SELECTED RATES

| | 2019/20 | 2018/19 |
|-------------------------------------|---|----------|
| Weekly benefit | £ | £ |
| Basic State Pension | 129.20 | 125.95 |
| New State Pension | 168.60 | 164.35 |
| Statutory pay standard rates | | |
| | - average weekly earnings £118 (£116) or over | |
| Sick Pay | 94.25 | 92.05 |
| Maternity/Adoption Pay | 148.68 | 145.18 |
| Shared Parental Pay | 148.68 | 145.18 |
| Paternity Pay | 148.68 | 145.18 |

National Living Wage and National Minimum Wage

| Age | NLW | 21-24 | 18-20 | 16-17 | Apprentices |
|-------------------|-------|-------|-------|-------|-------------|
| From 1 April 2019 | £8.21 | £7.70 | £6.15 | £4.35 | £3.90 |

*Applies to apprentices under 19, or 19 and over in the first year of apprenticeship.
NLW applies to those aged 25 and over.*

TAX RELIEFS FOR INDIVIDUALS

2019/20 and 2018/19

Enterprise Investment Scheme (EIS)

Relief on investments in certain unquoted trading companies up to £1m per annum (£2m for knowledge intensive companies):

- Income tax relief at 30%
- Capital gains exemption on disposal

Unlimited amounts of capital gains from the disposal of other assets may be able to be deferred by making an EIS investment.

Seed Enterprise Investment Scheme (SEIS)

Relief on investments in certain unquoted trading companies up to £100,000 per annum:

- Income tax relief at 50%
- Capital gains exemption on disposal

Capital gains from the disposal of other assets may be exempt up to £50,000 per annum by making an SEIS investment.

Venture Capital Trusts (VCTs)

Relief on investments in certain quoted companies up to £200,000 per annum:

- Income tax relief at 30%
- Capital gains exemption on disposal

Dividends received from VCTs may be exempt from income tax.

All reliefs subject to detailed conditions being met.