

# Tax rates and allowances 2019/20

## INCOME TAX

	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

*Rates and bands (other than savings and dividend income)*

### Savings income                      2019/20 and 2018/19

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

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

### 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%

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

## 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 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

## DEVOLVED INCOME TAX

### Scotland rates and bands

2019/20		2018/19	
Band (£)	Rate (%)	Band (£)	Rate (%)
0 – 2,049	19	0 – 2,000	19
2,050 – 12,444	20	2,001 – 12,150	20
12,445 – 30,930	21	12,151 – 31,580	21
30,931 – 150,000	41	31,581 – 150,000	41
Over 150,000	46	Over 150,000	46

### Wales rates and bands - Introduced from April 2019

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

## CAPITAL GAINS TAX

Individuals	2019/20	2018/19
Exemption	£12,000	£11,700
Standard rate	10%	10%
Higher/additional rate	20%	20%
Trusts		
Exemptions	£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.*

## CAR, VAN AND FUEL BENEFITS

CO <sub>2</sub> emissions g/km	Percentage of car's list price taxed	<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 standards) 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>
0-50	16	
51-75	19	
76-94	22	
For every additional 5	Additional 1%	
165 and above	37% (maximum)	

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

2019/20

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

## NATIONAL INSURANCE

### 2019/20 Class 1 (employed) rates:

Employee earnings per week	%	Employer 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.***

### Other rates:

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

## SELECTED RATES

	2019/20	2018/19
<b>Weekly benefit</b>	<b>£</b>	<b>£</b>
<b>Basic State Pension</b>	<b>129.20</b>	<b>125.95</b>
<b>New State pension</b>	<b>168.60</b>	<b>164.35</b>

**Statutory pay standard rates** - average weekly earnings £118 (£116) or over

<b>Sick pay</b>	<b>94.25</b>	<b>92.05</b>
<b>Maternity/Adoption Pay</b>	<b>148.68</b>	<b>145.18</b>
<b>Shared Parental Pay</b>	<b>148.68</b>	<b>145.18</b>
<b>Paternity Pay</b>	<b>148.68</b>	<b>145.18</b>

**National Living Wage and National Minimum Wage**

Age	NLW	21-24	18-20	16-17	Apprentices
<b>From 1 April 2019</b>	<b>8.21</b>	<b>7.70</b>	<b>6.15</b>	<b>4.35</b>	<b>3.90</b>

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

## TAX RELIEF FOR INDIVIDUALS

### **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.



## 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*

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

**Annual Investment (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 1 April 2019. - **6% (8%)**

Other plant machinery - **18%**

### **Structures and Buildings Allowance**

From 29 October 2018 straight-line basis - **2%**

## 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

## PROPERTY TAXES

*Across the whole of the UK, residential rates may be increased by 3% (4% in Scotland) 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 – 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 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 – 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 on the first £175,000 of residential purchases.*

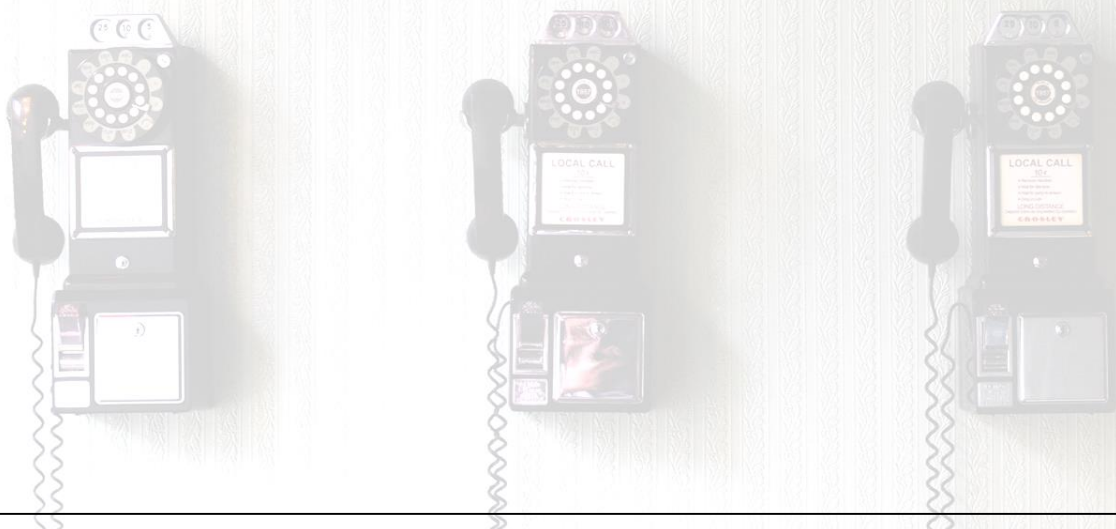
**Land Transaction Tax - Land and buildings in Wales**

Residential Band (£)	Rate %	Non-residential Band (£)	Rate %
0 – 180,000	0	0 – 150,000	0
180,001 – 250,000	3.5	150,001 – 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		

# Never a charge to talk

If there is anything you wish to discuss, please do not hesitate to contact us. Here at Tribe there is never a charge to talk.

*+44 (0) 1730 719250*



***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.***