



## Tax Rates 2023/2024

# Tax Rates 2023/24

## Income Tax

2023/2024		2022/2023	
Band	Rate	Band	Rate
Up to £12,570	0%	Up to £12,570	0%
£12,571 - £50,270	20%	£12,571 - £37,700	20%
£50,271 - £125,140	40%	£50,271 - £150,000	40%
Over £125,140	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	2023/24 and 2022/23
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	2023/2024	2022/2023
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%

## Income Tax Reliefs

	2023/2024	2022/2023
Personal allowance	£12,570	£12,570
Personal allowance income limit	£100,000	£100,000
Marriage allowance*	£1,260	£1,260
Married couple's allowance**	£10,375	£9,415
<i>[minimum amount]</i>	£4,010	£3,640
<i>[income limit]</i>	£34,600	£31,400
Blind person's allowance	£2,870	£2,600

\*Marriage allowance is only beneficial if both of you are basic rate tax payers and one has income below the personal allowance.

\*\*Married Couples Allowance only applies if one of you is born before 6 April 1935.

## Individual Savings Accounts

	2023/2024	2022/2023
Overall investment limit	£20,000	£20,000
Junior account investment limit	£9,000	£9,000

## Devolved Income Tax

### Scotland

2023/2024		2022/2023	
Band	Rate	Band	Rate
Up to £12,570	0%	Up to £12,570	0%
£12,571 to £14,732	19%	£12,571 to £14,732	19%
£14,733 to £25,688	20%	£14,733 to £25,688	20%
£25,689 to £43,662	21%	£25,689 to £43,662	21%
£43,663 to £125,140	42%	£43,663 to 150,000	41%
over £125,140	47%	over £150,000	46%

### Wales

2023/2024		2022/2023	
Band	Rate	Band	Rate
Up to £12,570	0%	Up to £12,570	0%
£12,571 - £50,270	20%	£12,571 - £37,700	20%
£50,271 - £125,140	40%	£50,271 - £150,000	40%
Over £125,140	45%	Over £150,000	45%

## Capital Gains Tax

Individuals	2023/2024	2022/2023
Exemption	£6,000	£12,300
Standard rate	10%	10%
Higher/additional rate	20%	20%
Trusts		
Exemption	£3,000	£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%.

## Inheritance Tax

Death Rate	Lifetime Rate	Chargeable transfers 2023/24 and 2022/23
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

2023/2024		
CO2 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.

	2023/24
Car fuel benefit	£27,800
Van benefit	£3,960
Van fuel benefit	£757

	Rate per mile
Cars and Vans - up to 10,000 miles	45p
Cars and Vans - over 10,000 miles	25p
Bicycles	20p
Motorcycles	24p

## National Insurance

2023/2024 Class 1 (employed) rates			
Employee		Employer	
Earnings per week		Earnings per week	
Up to £242	Nil	Up to £175	Nil
£242.01 - £967	12%	Over £175	13.8%
Over £967	2%		

Entitlement to contribution-based benefits for employees retained for earnings between £123 and £242 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)	13.8% on employee taxable benefits
Class 1B (employers)	13.8% on PAYE Settlement Agreements
Class 2 (self-employed)*	nil on profits between £6,725 and £12,570 plus £3.45 per week where profits over £12,570
Class 3 (voluntary)	flat rate per week £17.45
Class 4 (self-employed)	9% on profits between £12,570 and £50,270 plus 2% on profits over £50,270

\*voluntary contributions are possible if profits are below £6,725

## Selected Rates

	2023/2024	2022/2023
Weekly benefit		
New State Pension	£203.85	£185.15
Old State Pension	£156.20	£141.85
Statutory pay standard rates - average weekly earnings £123 or over		
Sick Pay	£109.40	£99.35
Maternity/Adoption Pay	£172.48	£156.66
Shared Parental Pay	£172.48	£156.66
Paternity Pay	£172.48	£156.66

## National Living Wage and National Minimum Wage

Age	NLW	21-22	18-20	16-17	Apprentices
From 1 April 2023	£10.42	£10.18	£7.49	£5.28	£5.28

Applies to apprentices under 19 or 19 and over in the first year of apprenticeship. NLW applies to those aged 23 and over.



## Tax Reliefs for Individuals

2023/2024

### 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 £200,000\* 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 £100,000\* per annum by making an SEIS investment.

\*Limits subject to Parliamentary approval.

### 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.

## Corporation Tax

Year to 31.3.24	Profits band	Rate
Small profits rate	£0 - £50,000	19%
Marginal rate	£50,001 - £250,000	26.5%
Main rate	Over £250,000	25%
Marginal relief fraction	3/200	

For the year to 31.3.23 the main rate of corporation tax was 19%. Special rules apply to accounting periods straddling 1 April 2023. For the year to 31.3.24 the profits limits are reduced for a company with associated companies. Different rates apply for ring-fenced (broadly oil industry) profit.

## Capital Allowances

First Year Allowance (FYA) on certain plant, machinery and cars of 0g/km	100%
Corporation tax FYA ('full expensing') on certain new, unused plant and machinery from 1 April 2023	100%
Corporation tax FYA on new, unused long-life assets integral features of buildings, etc. from 1 April 2023	50%
Annual Investment Allowance £1,000,000 excluding cars	
<b>Writing Down Allowance</b>	
Long-life assets, integral features of buildings, cars over 50g/km	6%
Other plant and machinery	18%
Structures and Buildings Allowance	3%

## Pensions

	2023/24	2022/23
Lifetime Allowance (LA) limit	No LA charge	£1,073,100
Annual Allowance limit	£60,000	£40,000
Money Purchase Annual Allowance	£10,000	£4,000

## Value Added Tax

	From 1.4.2023	From 1.4.2022
Standard rate	20%	20%
Reduced rate	5%	5%
Annual Registration Limit	£85,000	£85,000
Annual De-registration Limit	£83,000	£83,000

## Property Taxes

Across the whole of the UK, residential rates may be increased by 3% (4% in Wales and 6% 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 - £250,000	0%	£0 - £150,000	0%
£250,001 - £925,000	5%	£150,001 - £250,000	2%
£925,001 - £1,500,000	10%	Over £250,000	5%
Over £1,500,000	12%		

First-Time Buyer relief may apply to residential purchases up to £625,000.

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 - £225,000	0%	£0 - £225,000	0%
£225,001 - £400,000	6%	£225,001 - £250,000	1%
£400,001 - £750,000	7.5%	£250,001 - £1,000,000	5%
£750,001 - £1,500,000	10%	Over £1,000,000	6%
Over £1,500,000	12%		



## We are here to help...

So please make good use of us.

If you would like to discuss any of the information contained in this document, please get in touch with your usual contact at CB Reid.

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