

# Tax Rates 2022/23

## 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

## Devolved Income Tax

### Scotland rates and bands

2022/23		2021/22	
Band £	Rate %	Band £	Rate %
0 - 2,162	19	0 - 2,097	19
2,163 - 13,118	20	2,098 - 12,726	20
13,119 - 31,092	21	12,727 - 31,092	21
31,093 - 150,000	41	31,093 - 150,000	41
Over 150,000	46	Over 150,000	46

### Wales rates and bands

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

## 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%.

## 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 <sub>2</sub> 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 CO<sub>2</sub> 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

## 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. (\*£242 from 6 July 2022.)

<b>Class 1A (employers)</b>	15.05% on employee taxable benefits
<b>Class 1B (employers)</b>	15.05% on PAYE Settlement Agreements
<b>Class 2 (self-employed)</b>	nil on profits between £6,725 and £11,908 plus £3.15 per week where profits over £11,908
<b>Class 3 (voluntary)</b>	flat rate per week £15.85
<b>Class 4 (self-employed)</b>	10.25% on profits between £11,908 and £50,270 plus 3.25% on profits over £50,270

## Selected Rates

	2022/23	2021/22
<b>Weekly benefit</b>	<b>£</b>	<b>£</b>
<b>Basic State Pension</b>	185.15	179.60
<b>Old State Pension</b>	141.85	137.60
<b>Statutory pay standard rates - average weekly earnings £123 (£120) or over</b>		
Sick Pay	99.35	96.35
Maternity/Adoption Pay	156.66	151.97
Shared Parental Pay	156.66	151.97
Paternity Pay	156.66	151.97

## National Living Wage and National Minimum Wage

Age	NLW	21-22	18-20	16-17	Apprentices
From 1 April 2022	£9.50	£9.18	£6.83	£4.81	£4.81

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

### 2022/23 and 2021/22

#### 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 31.3.23	19	Year to 31.3.22	19

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

## Capital Allowances

**Corporation tax super-deduction** on certain plant and machinery until 31 March 2023 **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. until 31 March 2023 **50%**

**Annual Investment Allowance £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%**

## 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

## 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 Deregistration Limit	£83,000	£83,000

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

# 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		

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.

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