

## Tax Tables

2019/20

Please note that the income tax thresholds and rates are those applicable in England, Wales and Northern Ireland.

For guidance on the new five tier income tax system that applies to non-savings and non-dividend income for Scottish taxpayers, see the [Gov.Scot](http://gov.scot) website.

## Income Tax

### ALLOWANCES

Personal Allowances	2018/19	2019/20
Personal Allowance	£11,850	£12,500
Income limit for Personal allowance(1)	£100,000	£100,000
Transferable Tax Allowance for married couples and civil partners (2)	£1,190	£1,250
Dividend Allowance	£2,000	£2,000
Personal Savings Allowance (3)	£1,000	£1,000
Married Couples Allowance (MCA)	2018/19	2019/20
Maximum MCA (4)	£8,695	£8,915
Income limit for the MCA (5)	£28,900	£29,600
Minimum MCA	£3,360	£3,450
Blind Persons Allowance	2018/19	2019/20
	£2,390	£2,450

- (1) Personal allowance reduced by £1 for every £2 that adjusted net income exceeds the £100,000 threshold. Reduced to zero once adjusted net income reaches £123,700.  
 (2) Available to spouses and civil partners born after 5 April 1935. The recipient must not be liable to tax above the basic rate.  
 (3) Reduced to £500 for higher rate taxpayer and £Nil for additional rate taxpayers.  
 (4) Can be claimed by individuals born before 6 April 1935. Tax relief for the MCA is 10% and is given as a tax reducer.  
 (5) MCA is reduced by £1 for each £2 of gross income above the income limit (£29,600 in 2019/20) but can't be reduced to less than the minimum (£3,450 in 2019/20)

### TAXABLE INCOME

Thresholds	2019/20	Savings Income	Dividend Income	Non-Savings Income
Starting Rate(1)	£0 to £5,000	0%	n/a	n/a
Basic Rate	£0 to £37,500	20%	7.5% (2)	20%
Higher Rate	£37,501 to £150,000	40%	32.5% (2)	40%
Additional Rate	Over £150,000	45%	38.1% (2)	45%

- (1) The 0% starting rate is for savings income only. If an individual's taxable non-savings income exceeds the starting rate limit the 0% starting rate band will not be available for savings income.  
 (2) These tax rates only apply to the extent that dividend income exceeds the tax-free dividend allowance (£2,000 in 2018/19 and 2019/20 reduced from £5,000 in 2016/17 and 2017/18).

	2018/19		2019/20	
Trust Income	Dividends	Other	Dividends	Other
Interest in Possession	7.5%	20%	7.5%	20%
Discretionary				
The first £1,000 of income	7.5%	20%	7.5%	20%
Income above £1,000	38.1%	45%	38.1%	45%

### VENTURE CAPITAL SCHEMES

	2018/19		2019/20	
Scheme	Max	Income Tax relief	Max	Income Tax relief
EIS	£1,000,000	30%	£1,000,000	30%
Seed EIS	£100,000	50%	£100,000	50%
VCT	£200,000	30%	£200,000	30%

## National Insurance

### RATES & ALLOWANCES

£ per week	2018/19	2019/20
Lower earnings limit, primary Class 1	£116	£118
Upper earnings limit, primary Class 1	£892	£962
Primary threshold	£162	£166
Secondary threshold	£162	£166
Employees' primary Class 1 rate between primary threshold and upper earnings limit	12%	12%
Employees' primary Class 1 rate above upper earnings limit	2%	2%
Class 1A rate on employer provided benefits	13.8%	13.8%
Married women's reduced rate between primary threshold and upper earnings limit	5.85%	5.85%
Married women's rate above upper earnings limit	2%	2%
Employers' secondary Class 1 rate above secondary threshold	13.8%	13.8%
Class 2 rate	£2.95	£3.00
Class 2 small profits threshold	£6,205 per year	£6,365 per year
Special Class 2 rate for share fishermen	£3.60	£3.65
Special Class 2 rate for volunteer development workers	£5.80	£5.90
Class 3 rate	£14.65	£15.00
Class 4 lower profits limit	£8,424 per year	£8,632 per year
Class 4 upper profits limit	£46,350 per year	£50,000 per year
Class 4 rate between lower profits limit and upper profits limit	9%	9%
Class 4 rate above upper profits limit	2%	2%

## Capital Gains Tax

### ANNUAL EXEMPTION & RATES

Annual Exemption	2018/19	2019/20
Individuals	£11,700	£12,000
Trustees	£5,850	£6,000

Main rates for individuals	2018/19	2019/20
Basic Rate	10%	10%
Higher Rate	20%	20%
Rates on gains subject to entrepreneur's relief	10% (1)	10% (1)
Rates for individuals (gains on residential property)	2018/19	2019/20
Basic rate	18%	18%
Higher Rate	28%	28%

- (1) Entrepreneur's relief is available on qualifying disposals up to a maximum lifetime limit of £10,000,000. Gains in excess of this limit are taxed at 20%.

## Corporation Tax

Main Rate	2018/19	2019/20
	19%	19%

Inheritance Tax

TAX RATES			
Tax Year	Nil Rate Band (1) (2)	IHT due on a chargeable lifetime transfers in excess of the NRB	IHT due on Death on chargeable transfers in excess of the NRB
2016/17	£325,000	20%	40%
2017/18	£325,000	20%	40%

(1)The NRB will remain frozen at £325,000 until 2020/21

(2) Unused NRB can be transferred to enhance the NRB of the surviving spouse on second death. The maximum percentage that can be transferred is 100% which would double the NRB available.

Tax Year	Residence Nil Rate Band (1) (2)	IHT due on a chargeable lifetime transfers in excess of the RNRB (3)	IHT due on Death on chargeable transfers in excess of the RNRB <i>plus</i> any available normal ('any assets') NRB (4)
2016/17	n/a	n/a	40%
2017/18	£100,000	n/a	40%
2018/19	£125,000	n/a	40%
2019/20	£150,000	n/a	40%
2020/21	£175,000	n/a	40%

(1)The RNRB is only available to offset against the value of a residential property that is (or has been previously) used by the deceased as their main residence *and* which is transferred on death to a lineal descendant, or the spouse or civil partner of a lineal descendant.

(2) Unused RNRB can be transferred to enhance the RNRB of the surviving spouse on second death. The maximum percentage that can be transferred is 100% which would double the RNRB available.

(3) The RNRB is only available on death – it cannot be offset against lifetime transfers of a main residence.

MAIN EXEMPT TRANSFERS	
	Maximum £
Gifts to a UK domiciled spouse	No limit
Gifts to a Non UK domiciled spouse	£325,000(1)
Gifts to charities	No limit
Gifts to political parties	No limit
Annual exemption	£3,000
Small gifts	£250 (2)
Normal expenditure out of income	No limit
Gifts in consideration of marriage	(see below)
Parents	£5,000 each
Grandparents and bride/groom to each other	£2,500 each
Any other person	£1,000

(1) This £325,000 exemption applies to cumulative transfers. It is therefore necessary to consider previous gifts and transfers to a non UK domiciled spouse in order to determine whether any of this exemption remains. It is also possible for a non-domiciled spouse to instead make an irrevocable election to be treated as UK domiciled for IHT purposes.

(2) The gift has to be outright; not a gift into trust.

IHT RELIEFS
Business or farming assets may attract relief at either 50% or 100%, depending on the circumstances and type of the assets concerned. The relief can apply during lifetime and on death but if the relief is 100%, the practical effect is to make the transaction exempt.
Pensions
ANNUAL ALLOWANCE AND LIFETIME ALLOWANCE

Tax Year	Annual Allowance	Lifetime Allowance
2014/15	£40,000	£1.25 million
2015/16	£80,000 (1)	£1.25 million
2016/17	£40,000 (2)	£1.00 million (3)
2017/18	£40,000	£1.00 million
2018/19	£40,000	£1.03 million
2019/20	£40,000	£1.055 million

1) From 6 April 2015, a Money Purchase Annual Allowance (MPAA) was introduced which applies to anyone who accesses their pension ‘flexibly’ on or after this date. The MPAA was £10K in 2015/16 and 2016/17 but reduced to £4K from the start of the 2017/18 tax year.

Changes to pension input periods which took immediate effect from 8 July 2015 also meant that some people not restricted by the MPAA had up to an extra £40K annual allowance in 2015/16, giving them an annual allowance of up to £80K in total.

2) From 6 April 2016, the £40K annual allowance for individuals with ‘threshold income’ over £110K *and* ‘adjusted income’ over £150K is reduced by £1 for every £2 of adjusted income over £150K. This, however, is subject to a minimum annual allowance of £10K for individuals with adjusted income of £210K or more.

3) To help counteract the reduction in the lifetime allowance to £1m on 6 April 2016, individuals can apply for ‘Fixed Protection 2016’ to preserve an entitlement to a £1.25m lifetime allowance provided (broadly) they do not accrue further pension benefits after this date. Individuals with total pension rights valued at greater than £1m as at 5 April 2016 can also apply for ‘Individual Protection 2016.’

TAX CHARGES ON PAYMENTS FROM REGISTERED PENSION SCHEMES	
Charges	Rates 2019/20
Lifetime allowance charge	55% - if the amount over the lifetime allowance is paid as a lump sum  25% - if the amount over the lifetime allowance is taken as income
Annual allowance charge	Up to 45%
Unauthorised payments charge	40%
Unauthorised payments surcharge	15%
Short service refund lump sum charge	20% on first £20,000, 50% on any amount over £20,000
Special lump sum death benefits charge	No tax charge where member dies prior to age 75 Beneficiary’s marginal rate where death occurs after age 75
Scheme sanction charge	15% - 40%

PENSION CREDIT		
Guarantee Credit	2018/19	2019/20
Single Person	£163.00	£167.25
Married couple	£248.80	£255.25

BASIC STATE PENSION		
SPA pre 6 April 2016	2018/19	2019/20
Category A	£125.95	£129.20
Category B Supplement	£75.50	£77.45
SPA post 6 April 2016	2018/19	2019/20
New single tier pension if got full qualifying years	£164.35	£168.60

Stamp Duty Land Tax

RESIDENTIAL		
Band	2019/20 (standard rates)	2019/20 (Additional property rates)
Up to £125,000	Zero	3%
£125,001 to £250,000	2%	5%
£250,001 to £925,000	5%	8%
£925,001 to £1,500,000	10%	13%
Over £1,500,000	12%	15%

Rates for first time buyers purchasing properties worth £500,000 or less		
Band	2019/20	
Up to £300,000	Zero	
£300,001 to £500,000	5%	
Over £500,000	Standard rates above apply	

COMMERCIAL		
Band	2019/20	
Up to £150,000	Zero	
£150,001 to £250,000	2%	
Over £250,000	5%	

Individual Savings Account (ISAs)

ISA CONTRIBUTION LIMITS		
Limits	2018/19	2019/20
Overall Limit	£20,000	£20,000
Lifetime ISA	£4,000	£4,000
Help to Buy ISA	£2,400 (£3,400 in year 1)	£2,400 (£3,400 in year 1)

JUNIOR ISA CONTRIBUTION LIMITS		
Limits	2018/19	2019/20
	£4,260	£4,368