

SMH Sutton McGrath Hartley.



2022/23 Tax Tables

INCOME TAX

Main personal allowances and reliefs	22/23	21/22
Personal allowance*	£12,570	£12,570
Marriage/civil partner's transferable allowance	£1,260	£1,260
Married couple's/civil partner's allowance at 10% [†] (if at least one born before 6/4/35) – maximum	£9,415	£9,125
– minimum	£3,640	£3,530
Blind person's allowance	£2,600	£2,520
Rent-a-room relief	£7,500	£7,500
Property allowance and trading allowance (each)	£1,000	£1,000

*Personal allowance reduced by £1 for every £2 of adjusted net income over £100,000

[†]Married couple's/civil partner's allowance reduced by £1 for every £2 of adjusted net income over £31,400, until minimum reached

UK taxpayers excluding Scottish taxpayers' non-dividend, non-savings income	22/23	21/22
20% basic rate on first slice of taxable income up to	£37,700	£37,700
40% higher rate on next slice of taxable income over	£37,700	£37,700
45% additional rate on taxable income over	£150,000	£150,000

Scottish taxpayers – non-dividend, non-savings income

19% starter rate on taxable income up to	TBA	£2,097
20% basic rate on next slice up to	TBA	£12,726
21% intermediate rate on next slice up to	TBA	£31,092
41% higher rate on next slice up to	TBA	£150,000
46% top rate on income over	TBA	£150,000

All UK taxpayers

Starting rate at 0% on band of savings income up to**	£5,000	£5,000
Personal savings allowance at 0%:		
Basic rate	£1,000	£1,000
Higher rate	£500	£500
Additional rate	£0	£0
Dividend allowance at 0%:	All individuals	£2,000
Tax rates on dividend income:		
Basic rate	8.75%	7.5%
Higher rate	33.75%	32.5%
Additional rate	39.35%	38.1%
Trusts: Standard rate band generally	£1,000	£1,000
Rate applicable to trusts:		
Dividends	39.35%	38.1%
Other income	45%	45%

**Not available if taxable non-savings income exceeds the starting rate band

High Income Child Benefit Charge, 1% of benefit per £100 of adjusted net income between £50,000–£60,000

REGISTERED PENSIONS

	22/23	21/22
Lifetime allowance	£1,073,100	£1,073,100
Money purchase annual allowance	£4,000	£4,000
Annual allowance*	£40,000	£40,000
Annual allowance charge on excess is at applicable tax rate(s) on earnings		
Lifetime allowance charge if excess is drawn as cash	55%	as income 25%
Pension commencement lump sum up to 25% of pension benefit value		

*Reduced by £1 for every £2 of adjusted income over £240,000 to a minimum of £4,000, subject to threshold income being over £200,000

STATE PENSIONS

New state pension* – where state pension age reached after 5/4/16	Annual £9,627.80	Weekly £185.15
Basic state pension* – single person†	£7,376.20	£141.85
Basic state pension* – spouse/civil partner†	£4,420.00	£85.00

*Based on 3.1% CPI to 9/21 amounts TBC †State pension age reached before 6/4/16

TAX INCENTIVISED INVESTMENT

Total Individual Savings Account (ISA) limit, excluding Junior ISAs (JISAs)	22/23 £20,000	21/22 £20,000
Lifetime ISA	£4,000	£4,000
JISA and Child Trust Fund	£9,000	£9,000
Venture Capital Trust (VCT) at 30%	£200,000	£200,000
Enterprise Investment Scheme (EIS) at 30%*	£2,000,000	£2,000,000
EIS eligible for CGT deferral relief	No limit	No limit
Seed EIS (SEIS) at 50%	£100,000	£100,000
SEIS CGT reinvestment relief	50%	50%

*Above £1,000,000 investment must be in knowledge-intensive companies

NATIONAL INSURANCE CONTRIBUTIONS

Class 1	Employee	Employer
NICs rate	13.25%	15.05%
No NICs for employees generally on the first	£190 pw	£175 pw
No NICs* for: younger/veteran employees on first	£190 pw	£967 pw
freepoint employees on first	£190 pw	£481 pw
NICs rate charged up to	£967 pw	No limit
3.25% NICs on earnings over	£967 pw	N/A

*Employees generally under 21 years and apprentices under 25 years. Veterans in first 12 months of civilian employment. Employees at freeports in Great Britain in the first three years of employment from 6 April 2022

Employment Allowance £4,000

Per business – not available if sole employee is a director or employer's NICs for 21/22 £100,000 or more

Limits and Thresholds	Weekly	Annual
Lower earnings limit	£123	£6,396
Primary threshold	£190	£9,880
Secondary threshold	£175	£9,100
Upper earnings limit (and upper secondary thresholds)	£967	£50,270

Class 1A Employer On car and fuel benefits and most other taxable benefits provided to employees and directors 15.05%

Class 2 Self-employed Flat rate per week £3.15 (£163.80 pa)

Small profits threshold No compulsory NICs if annual profits less than £6,725

Class 4 Self-employed On annual profits of £9,880 to £50,270: 10.25%
Over £50,270: 3.25%

Class 3 Voluntary flat rate per week £15.85 (£824.20 pa)

CAPITAL GAINS TAX

Tax Rates – Individuals	22/23	21/22
Below UK higher rate income tax band	10%	10%
Within UK higher and additional rate income tax bands	20%	20%
Tax Rate – Trusts and Estates	20%	20%
Surcharge for residential property and carried interest	8%	8%
Annual exempt amount: Individuals, estates, etc.	£12,300	£12,300
Trusts generally	£6,150	£6,150
Chattels gain limited to 5/3rds of proceeds exceeding	£6,000	£6,000

Business Asset Disposal Relief

10% on lifetime limit of £1,000,000 for trading businesses and companies (minimum 5% participation) held for at least 2 years

INHERITANCE TAX

	22/23	21/22
Nil-rate band*	£325,000	£325,000
Residence nil-rate band*†	£175,000	£175,000
Rate of tax on excess	40%	40%
Rate if at least 10% of net estate left to charity	36%	36%
Lifetime transfers to and from certain trusts	20%	20%
Overseas domiciled spouse/civil partner exemption	£325,000	£325,000
100% relief: businesses, unlisted/AIM companies, certain farmland/buildings		
50% relief: certain other business assets e.g. farmland let before 1/9/95		
Annual exempt gifts of:	£3,000 per donor	£250 per donee

Tapered tax charge on lifetime gifts within 7 years of death

Years between gift and death	0-3	3-4	4-5	5-6	6-7
% of death tax charge	100	80	60	40	20

* Up to 100% of the unused proportion of a deceased spouse's/civil partner's nil-rate band and/or residence nil-rate band can be claimed on the survivor's death

† Estates over £2,000,000: the value of the residence nil-rate band is reduced by 50% of the excess over £2,000,000

STAMP DUTIES AND PROPERTY TRANSACTION TAXES

Stamp Duty and SDRT: Stocks and marketable securities 0.5%

Additional residential and all corporate residential properties

£40,000 or more – add 3% to SDLT rates and 4% to LBTT and LTT rates

England & N Ireland – Stamp Duty Land Tax (SDLT) on slices of value

Residential property	%	Commercial property*	%
Up to £125,000	0	Up to £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		

*0% for freeport qualifying property in England only

First time buyers: 0% on first £300,000 for properties up to £500,000

Non-resident purchasers: 2% surcharge on properties £40,000 or more

Residential properties bought by companies etc. over £500,000: 15% of total consideration, subject to certain exemptions

Scotland – Land and Buildings Transaction Tax (LBTT) on slices of value*

Residential property	%	Commercial property	%
Up to £145,000	0	Up to £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		

*To be confirmed in the Scottish Budget

First time buyers: 0% on the first £175,000

Wales – Land Transaction Tax (LTT) on slices of value*

Residential property	%	Commercial property	%
Up to £180,000	0	Up to £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		

*To be confirmed in the Welsh Budget

CORPORATION TAX

Years to 31/3/23 and 31/3/22 Profits: 19% Diverted profits: 25%

Loans to participators Made in 21/22: 32.5% Made in 22/23: 33.75%

VALUE ADDED TAX

Standard rate	20%	Domestic fuel	5%
Since 1/4/17: Registration level	£85,000	Deregistration	£83,000
Flat rate scheme turnover limit			£150,000
Cash and annual accounting schemes turnover limit			£1,350,000

CAR BENEFITS

Taxable amount based on original list price and CO₂ emissions in g/km.

Zero emission cars 2%

Petrol and diesel hybrids with CO₂ emissions 1–50g/km

Range – electric-only miles	< 30	30–39	40–69	70–129	130+
	14%	12%	8%	5%	2%

All non-diesel cars over 50g/km CO₂	51–54	55 & over
	15%	16%* –37%

*Increased for every extra 5g/km by 1% up to the maximum 37%

Diesels not meeting RDE2 standards: add 4%, up to 37% maximum

Fuel Benefit – taxable amount for private use	22/23	21/22
CO ₂ % charge used for car benefit multiplied by	£25,300	£24,600

VANS – FOR PRIVATE USE

	22/23	21/22
Zero emission: chargeable amount	Nil	Nil
Other vans: chargeable amount	£3,600	£3,500
Fuel: chargeable amount	£688	£669

TAX-FREE BUSINESS MILEAGE ALLOWANCE – OWN VEHICLE

Cars and vans first 10,000 miles	45p per mile	then 25p per mile
Qualifying passenger	5p per mile	
Motorcycles	24p per mile	Bicycles 20p per mile

MAIN CAPITAL AND OTHER ALLOWANCES

Plant & machinery (P&M) 100% annual investment allowance (1st year)	To 31/3/23	£1,000,000
P&M* super-deduction first year allowance (FYA) for companies to 31/3/23		130%
Special rate P&M* FYA for companies to 31/3/23		50%
Plant and machinery**		18%
Patent rights and know-how**		25%
Special rate P&M e.g. long-life assets and integral features of buildings**		6%
Structures and buildings (straight line)†		3%
Electric charge points		100%

Motor Cars

CO ₂ emissions of g/km:	0*	1–50	Over 50
Capital allowance:	100% first year	18% pa**	6% pa**

*New P&M only **Annual reducing balance †10% for freeport sites in Great Britain

Research and Development

Capital expenditure	100%
Revenue expenditure relief – small/medium-sized companies	230%
Research and development expenditure credit – large companies	13%

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