





# TAX RATES

— 2023/24 —



## Harris+Co

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# Income Tax

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

2023/24		2022/23	
Band £	Rate %	Band £	Rate %
0 - 37,700	20	0 - 37,700	20
37,701 - 125,140	40	37,701 - 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	2023/24	2022/23
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

	2023/24	2022/23
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
- minimum amount	£4,010	£3,640
- income limit	£34,600	£31,400
Blind person's allowance	£2,870	£2,600

## Individual Savings Accounts

	2023/24	2022/23
Overall investment limit	£20,000	£20,000
Junior account investment limit	£9,000	£9,000

## Devolved Income Tax

### Scotland rates and bands

2023/24		2022/23	
Band £	Rate %	Band £	Rate %
0 - 2,162	19	0 - 2,162	19
2,163 - 13,118	20	2,163 - 13,118	20
13,119 - 31,092	21	13,119 - 31,092	21
31,093 - 125,140	42	31,093 - 150,000	41
Over 125,140	47	Over 150,000	46

### Wales rates and bands

2023/24		2022/23	
Band £	Rate %	Band £	Rate %
0 - 37,700	20	0 - 37,700	20
37,701 - 125,140	40	37,701 - 150,000	40
Over 125,140	45	Over 150,000	45

## Capital Gains Tax

Individuals	2023/24	2022/23
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

2023/24		
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.

2023/24

Car fuel benefit	£27,800
Van benefit	£3,960
Van fuel benefit	£757

## National Insurance

### 2023/24 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.

<b>Class 1A (employers)</b>	13.8% on employee taxable benefits
<b>Class 1B (employers)</b>	13.8% on PAYE Settlement Agreements
<b>Class 2 (self-employed)</b>	nil on profits between £6,725 and £12,570 plus £3.45 per week where profits over £12,570
<b>Class 3 (voluntary)</b>	flat rate per week £17.45
<b>Class 4 (self-employed)</b>	9% on profits between £12,570 and £50,270 plus 2% on profits over £50,270

## Selected Rates

	2023/24	2022/23
<b>Weekly benefit</b>	<b>£</b>	<b>£</b>
<b>New State Pension</b>	203.85	185.15
<b>Old State Pension</b>	156.20	141.85
<b>Statutory pay standard rates - average weekly earnings £123 (£123) or over</b>		
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

### 2023/24

#### 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.

#### 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.

\*Limits subject to Parliamentary approval.

## 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

### 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

	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 1.4.23	From 1.4.22
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 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		

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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## Compliance & Business Support Services

### Compliance services

- Statutory audits
- Annual accounts preparation
- Company secretarial services
- Payroll procedures
- Tax returns
- Grant claims

### Support services

- Financial due diligence
- Management accounts and information
- Payroll advice
- Bookkeeping
- Budgets, business plans and forecasts
- Liaising with banks and institutions
- Sales ledger maintenance and debt collection

### Consultancy and systems advice

- Management consultancy
- IT advice on accounting systems
- Tailored financial management systems
- IT training
- Payroll systems

## Business Start-Up

- Advice on financing a new business
- Securing start-up funds
- Structuring of business
- Financial planning
- Development of management information systems

## Taxation

### Corporation tax services

- Self assessment
- Planning

### Personal Tax

(including sole traders and partnerships)

- Self assessment
- Tax planning
- Inheritance tax and estate planning
- Trusts

### VAT

- Returns
- Advice and compliance

### NI and PAYE

- P11Ds advice and completion
- Compliance

### Tax Investigations

- Companies
- Sole traders and partnerships
- Individuals

## Investments and Pensions

- Financial services
- Retirement planning
- Estate planning
- Pensions advice