

RATES 2018/19 and 2019/20

<u>INCOME TAX RATES</u>	2018/2019	2019/2020
Basic rate – 20%	£34,500	£37,500
Higher rate – 40%	£150,000	£150,000
Additional rate – 45%	over £150,000	over £150,000
Savings income rate - 0% starting rate	£5,000	£5,000
Dividends - ordinary rate 7.5%; upper rate 32.5%; additional rate 38.1%		

<u>PERSONAL ALLOWANCES</u>	2018/2019	2019/2020
Allowances that reduce taxable income		
Personal allowance *	£11,850	£12,500
Transferable marriage allowance for non-higher rate taxpayers	£1,190	£1,250
Dividend allowance	£2,000	£2,000
Personal savings allowance for basic rate taxpayers	£1,000	£1,000
Personal savings allowance for higher rate taxpayers	£500	£500
* <i>Personal allowance gradually withdrawn for all individuals when income exceeds £100,000</i>		

<u>VALUE ADDED TAX</u>	From 1 April 2018	1 April 2019
Registration threshold	£85,000	£85,000
De-registration threshold	£83,000	£83,000

<u>2019/2020 NATIONAL INSURANCE CONTRIBUTIONS</u>		
Class 1* (not contracted out)		
Weekly earnings bands	Employer	Employee
up to £166	Nil	Nil
£166 - £962	13.8%	12%
over £962	13.8%	2%
payable until reaching State Pension age		
Class 1A	On relevant benefits	13.8%
Class 2*	Self employed	£3.00 per week
	Limit of net earnings for exception	£6,365 per annum
Class 3	Voluntary	£15.00 per week
Class 4*	Self employed on profits £8,632 - £50,000	9%
	Self employed on profits over £50,000	2%
* Exemption tax the year after reaching retirement age.		

<u>CORPORATION TAX</u>	2018	2019	2020
Main rate	19%	19%	17%

<u>CAPITAL TAXES</u>	2018/2019	2019/2020
Capital gains tax annual exemption	£11,700	£12,000
Capital gains tax rate - basic rate taxpayer	10%	10%
Capital gains tax rate - higher rate taxpayer	20%	20%
Surcharge on carried interest and residential property (that does not qualify for private residence relief)	8%	8%
Entrepreneurs relief rate	10%	10%
Entrepreneurs relief lifetime limit of gains	£10,000,000	£10,000,000
Inheritance tax nil rate band	£325,000	£325,000
Married couples and civil partners - max	£650,000	£650,000
Residence nil rate band limit	£125,000	£150,000

