

# Rates and Allowances 2019/20

## INCOME TAX

Rates and bands (other than savings and dividend income)

2019/20		2018/19	
Band £	Rate %	Band	Rate %
0 - 37,500	20	0 - 34,500	20
37,501 - 150,000	40	34,501 - 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. However Wales has the same effective rates as UK rates.

**Savings income** 2019/20 and 2018/19

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** 2019/20 and 2018/19

Dividend allowance	£2,000
Dividend ordinary rate	7.5%
Dividend upper rate	32.5%
Dividend additional rate	38.1%

## INCOME TAX RELIEFS

	2019/20	2018/19
Personal allowance	£12,500	£11,850
Personal allowance income limit	£100,000	£100,000
Marriage allowance	£1,250	£1,190
Married couple's allowance	£8,915	£8,695
- minimum amount	£3,450	£3,360
- income limit	£29,600	£28,900
Blind person's allowance	£2,450	£2,390

## CAPITAL GAINS TAX

Individuals	2019/20	2018/19
Exemption	£12,000	£11,700
Standard rate	10%	10%
Higher/additional rate	20%	20%
Trusts		
Exemption	£6,000	£5,850
Rate	20%	20%

Higher rates (18/28%) may apply to the disposal of certain residential property and carried interest.

**Entrepreneurs' Relief and Investors' Relief**

The first £10m of qualifying gains are charged at 10%. Gains in excess of the limit are charged at the rates detailed above.

## INHERITANCE TAX

Death rate	Lifetime rate	Chargeable transfers 2019/20 and 2018/19
Nil	Nil	0 - £325,000 (nil rate band)
40%	20%	Over £325,000

A further nil rate band of £150,000 (£125,000 for 2018/19) may be available in relation to current or former residences.

## CORPORATION TAX

	Rate %		Rate %
Year to 31.3.20	19	Year to 31.3.19	19

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

## DEVOLVED INCOME TAX

Scotland rates and bands

2019/20		2018/19	
Band £	Rate %	Band £	Rate %
0 - 2,049	19	0 - 2,000	19
2,050 - 12,444	20	2,001 - 12,150	20
12,445 - 30,930	21	12,151 - 31,580	21
30,931 - 150,000	41	31,581 - 150,000	41
Over 150,000	46	Over 150,000	46

## CAR, VAN AND FUEL BENEFITS

Company cars 2019/20		For 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 over 94g/km if the CO <sub>2</sub> figure does not end in a 5 or 0 round down to the nearest 5 or 0.
CO <sub>2</sub> emissions g/km	Percentage of car's list price taxed	
0-50	16	
51-75	19	
76-94	22	
for every additional 5	additional 1%	
165 and above	37% (maximum)	

## 2019/20

Car fuel benefit	£24,100
Van benefit	£3,430
Van fuel benefit	£655

## NATIONAL INSURANCE

2019/20 Class 1 (employed) rates

Employee	%	Employer	%
Earnings per week		Earnings per week	
Up to £166	Nil	Up to £166	Nil
£166.01 - £962	12	Over £166	13.8
Over £962	2		

Entitlement to contribution-based benefits for employees retained for earnings between £118 and £166 per week.

The employer rate is 0% for employees under 21 and apprentices under 25 on earnings up to £962 per week.

**Class 1A (employers)** 13.8% on employee taxable benefits

**Class 1B (employers)** 13.8% on PAYE Settlement Agreements

**Class 2 (self-employed)** flat rate per week £3.00  
small profits threshold £6,365 per annum

**Class 3 (voluntary)** flat rate per week £15.00

**Class 4 (self-employed)** 9% on profits between £8,632 and £50,000 plus 2% on profits over £50,000

## VALUE ADDED TAX

	From 1.4.19	From 1.4.18
Standard rate	20%	20%
Reduced rate	5%	5%
Annual Registration Limit	£85,000	£85,000
Annual Deregistration Limit	£83,000	£83,000

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