




Tax Data

2021/22



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CHARTERED ACCOUNTANTS &
REGISTERED AUDITORS



Income Tax

Rates and bands (other than savings and dividend income)

| 2021/22 | | 2020/21 | |
|------------------|--------|------------------|--------|
| Band £ | Rate % | Band £ | Rate % |
| 0 - 37,700 | 20 | 0 - 37,500 | 20 |
| 37,701 - 150,000 | 40 | 37,501 - 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.

Savings income 2021/22 and 2020/21

| | |
|-------------------------------|--------|
| 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 2021/22 and 2020/21

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

Reliefs 2021/22 2020/21

| | | |
|---------------------------------|----------|----------|
| Personal allowance | £12,570 | £12,500 |
| Personal allowance income limit | £100,000 | £100,000 |
| Marriage allowance | £1,260 | £1,250 |
| Married couple's allowance | £9,125 | £9,075 |
| - minimum amount | £3,530 | £3,510 |
| - income limit | £30,400 | £30,200 |
| Blind person's allowance | £2,520 | £2,500 |

Capital Gains Tax

| Individuals | 2021/22 | 2020/21 |
|------------------------|---------|---------|
| Exemption | £12,300 | £12,300 |
| Standard rate | 10% | 10% |
| Higher/additional rate | 20% | 20% |
| Trusts | | |
| Exemption | £6,150 | £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%.*

National Insurance

2021/22 Class 1 (employed) rates

| Employee | | Employer | |
|-------------------|-----|-------------------|------|
| Earnings per week | % | Earnings per week | % |
| Up to £184 | Nil | Up to £170 | Nil |
| £184.01 - £967 | 12 | Over £170 | 13.8 |
| Over £967 | 2 | | |

Entitlement to contribution-based benefits for employees retained for earnings between £120 and £184 per week. The employer rate is 0% for employees under 21 and apprentices under 25 on earnings up to £967 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 £3.05 small profits threshold £6,515 per annum. **Class 3 (voluntary)** flat rate per week £15.40. **Class 4 (self-employed)** 9% on profits between £9,568 and £50,270 plus 2% on profits over £50,270.

Car, Van and Fuel Benefits

| 2021/22 | Cars registered pre 6.4.20 | Cars registered after 5.4.20 |
|--------------------------------|----------------------------|------------------------------|
| CO ₂ emissions g/km | % of list price taxed | % of list price taxed |
| 0 | 1 | 1 |
| 1-50 | | |
| Electric range - 130 or more | 2 | 1 |
| 70 - 129 | 5 | 4 |
| 40 - 69 | 8 | 7 |
| 30 - 39 | 12 | 11 |
| under 30 | 14 | 13 |
| 51-54 | 15 | 14 |
| For every extra 5 | +1 | +1 |
| 160 and above | 37 | n/a |
| 165 and above | n/a | 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 CO₂ figure does not end in a 5 or 0 round down to the nearest 5 or 0.

2021/22

| | |
|------------------|---------|
| Car fuel benefit | £24,600 |
| Van benefit | £3,500 |
| Van fuel benefit | £669 |

Inheritance Tax

Death rate

Nil
40%

Lifetime rate

Nil
20%

Chargeable transfers 2021/22 and 2020/21

0 - £325,000 (nil rate band)
Over £325,000

A further nil rate band of £175,000 may be available in relation to current or former residences.

Corporation Tax

| | Rate % | | Rate % |
|-----------------|--------|-----------------|--------|
| Year to 31.3.22 | 19 | Year to 31.3.21 | 19 |

Capital Allowances

Corporation tax super-deduction on certain plant and machinery **130%**

First Year Allowance (FYA) on certain plant, machinery and cars of 0g/km **100%**

Corporation tax FYA on long-life assets, integral features of buildings, etc. **50%**

Annual Investment Allowance (AIA) £1,000,000
(£200,000 from 1 January 2022)

Excludes 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%**

Value Added Tax

| | From 1.4.21 | From 1.4.20 |
|-----------------------------|-------------|-------------|
| Standard rate | 20% | 20% |
| Reduced rate | 5%* | 5% |
| Annual Registration Limit | £85,000 | £85,000 |
| Annual Deregistration Limit | £83,000 | £83,000 |

**12.5% for hospitality and tourism from 1 October 2021 - 31 March 2022.*

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.

Selected Rates

| | 2021/22 | 2020/21 |
|---------------------|---------|---------|
| Weekly benefit | £ | £ |
| Basic State Pension | 137.60 | 134.25 |
| New State Pension | 179.60 | 175.20 |

Statutory pay standard rates - average weekly earnings £120 (£120) or over

| | | |
|------------------------|--------|--------|
| Sick Pay | 96.35 | 95.85 |
| Maternity/Adoption Pay | 151.97 | 151.20 |
| Shared Parental Pay | 151.97 | 151.20 |
| Paternity Pay | 151.97 | 151.20 |

National Living Wage and National Minimum Wage

| Age | NLW | 21-22 | 18-20 | 16-17 | Apprentices |
|-------------------|-------|-------|-------|-------|-------------|
| From 1 April 2021 | £8.91 | £8.36 | £6.56 | £4.62 | £4.30 |

Applies to apprentices under 19, or 19 and over in the first year of apprenticeship.

NLW applies to those aged 23 and over.

Stamp Duty Land Tax

Land and buildings in England and N. Ireland. Residential rates may be increased by 3% where further residential properties are acquired.

| Residential (£) | Rate (%) | Non-residential (£) | Rate (%) |
|---------------------|----------|---------------------|----------|
| 0 - 500,000* | 0 | 0 - 150,000 | 0 |
| *500,001 - 925,000 | 5 | 150,001 - 250,000 | 2 |
| 925,001 - 1,500,000 | 10 | Over 250,000 | 5 |
| Over 1,500,000 | 12 | | |

**£250,000 from 1 July 2021. From 1 October 2021, 0% up to £125,000, 2% from £125,001 - £250,000 and 5% from £250,001 - £925,000.*