

PROPERTY TAXES

Stamp duty is payable at a rate of 0.5% on certain transfers of shares and securities of £1,000 and over.

The incremental rate tax is only payable on the part of the property price within each land tax band. An additional 3% rate (4% in Scotland) applies to the purchase of an additional residential property above £40,000 and all corporate residential properties.

ENGLAND AND NORTHERN IRELAND: STAMP DUTY LAND TAX (SDLT)*			
Residential property*		Non-residential property	
£0 - £250,000	0%	£0 - £150,000	0%
£250,001 - £925,000	5%	£150,000 - £250,000	2%
£925,001 - £1.5m	10%		
Above £1.5m	12%	Above £250,000	5%
SCOTLAND: LAND AND BUILDINGS TRANSACTION TAX (LBTT) **			
£0 - £145,000	0%	£0 - £150,000	0%
£145,001 - £250,000	2%	£150,000 - £250,000	1%
£250,001 - £325,000	5%		
£325,001 - £750,000	10%	Above £250,000	5%
Above £750,000	12%		
WALES: LAND TRANSACTION TAX (LTT)			
£0 - £225,000	0%	£0 - £225,000	0%
£250,001 - £400,000	6%	£225,001 - £250,000	1%
£400,001 - £750,000	7.5%	£250,001 - £1m	5%
£750,001 - £1.5m	10%		
Above £1.5m	12%	Above £1m	6%

* First-time buyers pay nothing on the first £425,000 for properties up to £625,000. For non-resident purchasers a 2% surcharge applies on properties of £40,000 or more. A rate of 15% for properties valued above £500,000 and purchased by a 'non-natural person'.

** First-time buyers pay nothing on the first £175,000.

INHERITANCE TAX

	2023/24	2022/23
Nil-rate band threshold*	£325,000	£325,000
Main residence nil-rate band**	£175,000	£175,000
Combined threshold limit for married couples and civil partners, including main residence nil-rate band	£1m	£1m
Business property relief and agricultural property relief	50% or 100%	50% or 100%

*Up to 100% of any unused part of a deceased person's nil-rate band can be claimed by the surviving spouse/civil partner on their death.

** For estates worth in excess of £2m, a 50% taper withdrawal applies to the excess.

TAX RATES

	2023/24	2022/23
Main rate	40%	40%
Chargeable on lifetime transfers	20%	20%
Transfers on or within seven years of death*	40%	40%
Reduced rate**	36%	36%

*All lifetime transfers not covered by exemptions and made within 7 years of death will be added back into the estate for the purposes of calculating tax payable. This may then be reduced as shown in the table below.

**Applies if 10% of more of net chargeable estate is left to certain registered charities.

Years before death	0-3	3-4	4-5	5-6	6-7
Tax reduced by	0%	20%	40%	60%	80%

MAIN EXEMPT LIFETIME GIFTS

Recurring annual gifts out of surplus income	unlimited
Annual gifts out of capital*	£3,000
Small gifts exemption	£250
Parental gift on marriage	£5,000
Grandparent/party to marriage	£2,500
Other gifts on marriage (per donor)	£1,000

*With one year carry forward if unused.

CAPITAL GAINS TAX

		2023/24	2022/23
Main Rates	Individual basic rate	10%	10%
	Individual above basic rate	20%	20%
	Trusts and estates	20%	20%
Surcharge – for gains on residential property not eligible for PPR and carried interest		8%	8%
Annual exemption	Individuals	£6,000	£12,300
	Trusts	£3,000	£6,150
Business Asset Disposal Relief	Rate	10%	10%
Investors' relief	Lifetime limit	£1m	£1m
	Rate	10%	10%
	Lifetime limit	£10m	£10m

TAX EFFICIENT INVESTMENTS

ANNUAL INVESTMENT LIMIT	2023/24	2022/23
ISA	£20,000	£20,000
Lifetime ISA*	£4,000	£4,000
Help-to-buy ISA (existing savers only)	Up to £200 a month	
Junior ISA and child trust fund	£9,000	£9,000
Venture capital trust at 30%	£200,000	£200,000
Enterprise investment scheme at 30%**	£1m	£1m
SEED EIS (SEIS) at 50%	£200,000	£100,000
SEIS CGT investment relief	50%	50%
Social investment tax relief at 30%	£1m	£1m

*Reduces ISA limit by amount invested in Lifetime ISA.

** Up to £2m in a knowledge-intensive company.

REGISTERED PENSIONS

	2023/24	2022/23
Lifetime allowance limit	N/A	£1,073,100
Money purchase annual allowance	£10,000	£4,000
Annual allowance limit*	£60,000	£40,000
Minimum age for accessing benefits	55	55
Maximum tax-free pension lump sum**	25% of pension fund value	

*The annual allowance is tapered for taxpayers whose income exceeds £260,000 (2022/23 £240,000). The allowance is reduced by £1 for every £2 down to a minimum of £10,000 (2022/23 £4,000)

**maximum value of £268,275

STATE PENSIONS

	Annual	Weekly
New state pension	£10,600.20	£203.85
Basic state pension – single person*	£8,122.40	£156.20
Basic state pension – spouse/civil partner*	£4,867.20	£93.60

*State pension age reached before 06/04/2016.



TAX CARD
2023/24

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IMPORTANT NOTICE

These rates and allowances are based on the Spring Budget 2023 announcements made by the UK and Northern Ireland, Scottish and Welsh Governments and are for information only.

The above must not be considered advice and no warranty is given for the accuracy or completeness of the details. Professional advice should be sought before making any decisions.

Please contact us if you wish to discuss your tax planning.

INCOME TAX

TAXABLE INCOME BANDS AND TAX RATES

		2023/24	2022/23
ENGLAND & WALES TAX BANDS & RATES			
Starting rate of 0% on savings up to		£5,000*	£5,000*
Personal Allowance	Band	Up to £12,570	Up to £12,570
	Tax %	0%	0%
Basic Rate	Band	£12,571 - £37,700	£12,571 - £37,700
	Tax %	20%	20%
Higher Rate	Band	£37,701 - £125,140	£37,701 - £150,000
	Tax %	40%	40%
Additional Rate	Band	Over £125,140	Over £150,000
	Tax %	45%	45%
SCOTTISH TAX BANDS & RATES			
Personal Allowance	Band	Up to £12,570	Up to £12,570
	Tax %	0%	0%
Starter Rate**	Band	£12,571 - £14,732	£12,571 - £14,732
	Tax %	19%	19%
Basic Rate	Band	£14,733 - £25,688	£14,733 - £25,688
	Tax %	20%	20%
Intermediate Rate	Band	£25,689 - £43,662	£25,689 - £43,662
	Tax %	21%	21%
Higher Rate	Band	£43,663 - £150,000	£43,663 - £150,000
	Tax %	42%	41%
Top Rate	Band	Over £125,140	Over £150,000
	Tax %	47%	46%
DIVIDENDS TAX RATES			
Dividend Allowance		£1,000	£2,000
Basic Rate		8.75%	8.75%
Higher rate		33.75%	33.75%
Additional Rate		39.35%	39.35%
HIGH INCOME CHILD BENEFIT CHARGE**			
Threshold		£50,000	£50,000

Income tax in Scotland and Wales is payable on non-savings and non-dividend income.

*The starting rate does not apply if taxable non-saving income exceeds the starting rate limit.

**A tax charge of 1% of the child benefit received for each £100 that the threshold is exceeded up to a maximum of 100%.

ALLOWANCES THAT REDUCE TAXABLE INCOME OR ARE NOT TAXABLE

		2023/24	2022/23
Personal Allowance*		£12,570	£12,570
Personal Savings Allowance	Basic Rate	£1,000	£1,000
	Higher Rate	£500	£500
Dividend Allowance		£1,000	£2,000
Marriage Allowance**		£1,260	£1,260
Trading Allowance***		£1,000	£1,000
Property Allowance***		£1,000	£1,000
Rent a Room Relief		£7,500	£7,500
Blind Persons Allowance		£2,870	£2,600

*The personal allowance is reduced by £1 for every £2 of income from £100,000.

**A taxpayer can transfer up to £1,260 (2022/23 £1,260) of their unused personal allowance to a spouse or civil partner who is not a higher rate taxpayer.

***Landlords and Traders with a gross income from this source in excess of £1,000 can deduct the allowance as an alternative to claiming expenses.

NATIONAL INSURANCE

CLASS 1

WEEKLY EARNINGS	EMPLOYEE RATE	WEEKLY EARNINGS	EMPLOYER RATE
Up to £242	Nil	Up to £175	Nil
£242 - £967	12%	£175 - £967	13.8%*
Over £967	2%	Over £967	13.8%
Over state pension age	0%	Over state pension age	0%

*No employer NICs on the first £967 per week for employees generally under 21 years, apprentices under 25 years and veterans in their first 12 months of civilian employment. No employer NICs on the first £481 per week for employees at freeports and investment zones in Great Britain in the first three years of employment.

CLASS 1A

On most employees' and directors' taxable benefits	13.8%
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CLASS 2

	2023/24	2022/23
Small profits threshold	£6,725	£6,725
Lower profits limit	£12,570	£11,908
Above lower profits limit	£3.45 a week	£3.15 a week

Those with profits between the Small profits threshold and the Lower profits limit will not pay Class 2 NICs, but will still be able to access entitlement to contributory benefits. Those with profits below the Small Profits Threshold may decide to pay Class 2 NIC voluntarily to accrue entitlement to the State Pension and other benefits.

CLASS 3

Voluntary	£17.45 a week
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CLASS 4*

Lower profits limit (£12,570 - £50,270)	9%
Upper profits limit (Over £50,270)	2%

*Exemption applies if the state retirement age is reached by 6 April 2023.

EMPLOYMENT ALLOWANCE

	2023/24	2022/23
Per employer per year*	£5,000	£5,000

*Some businesses do not qualify, including certain sole director companies and employers who have an employer's Class 1 NIC liability of £100,000 or more for 2022/23.

VEHICLE AND FUEL BENEFITS IN KIND (BIK)

The taxable benefit in kind is calculated as a percentage of the car's UK list price. The percentage depends on the car's CO₂ emissions in grams per kilometre (g/km).

Vehicle CO ₂ Emissions	Electric Range (Miles)	Non-Diesel Cars	
		22/23	22/23
0	N/A	2	2
1-50	130+	2	2
	70-129	5	5
	40-69	8	8
	30-39	12	12
	<30	14	14
51-54		15	15
55+		16 - 37*	16 - 37*

*Increased for every extra 5g/km by 1% up to the maximum of 37%. Add 4% for diesels up to a maximum of 37% (unless RDE2 compliant). Diesel plug-in hybrids are classed as alternative fuel vehicles, so the 4% diesel supplement does not apply to these vehicles irrespective of RDE2 compliance.

The list price is on the day before first registration, including most accessories and is reduced by an employee's capital contribution (max £5,000) when the car is first made available.

Where the cost of all fuel for private use is borne by the employee, the fuel benefit is nil. Otherwise, the fuel benefit is calculated by applying the car benefit percentage (above) to £27,800 in 2023/24.

Vans where private use is more than home-to-work travel:

	2023/24	2022/23
Van benefit	£3,960	£3,600
Zero-emission van benefit	£0	£0
Fuel benefit*	£757	£688

*Payments by employees for private use may reduce these benefits in kind.

TAX-FREE MILEAGE ALLOWANCES

The tax-free business mileage allowance rates apply for qualifying business journeys by employees using their own vehicles.

VEHICLE	Price per mile	
Cars and vans	First 10,000 miles	45p
	Thereafter	25p
Motorcycles		24p
Bicycles		20p
Business passenger		5p

The tax-free business mileage allowance rates for qualifying business journeys incurred by employees using their own vehicle over the course of the tax year. For national insurance purposes, a 45p rate may apply for all business miles incurred by cars and vans.

UK COMPANY TAXATION

FINANCIAL YEAR FROM 1 APRIL	2023	2022
Corporation tax main rate	25%	19%
Small profits rate (below £50,000)	19%	-
Marginal relief fraction	3/200	-
Loans to participants	33.75%	33.75%
Diverted profits tax	31%	25%

Taxable profits in excess of £250,000 will be taxed at 25%, the main rate.

Profits between £50,000 and £250,000 will be subject to a marginal tapering relief which will provide for gradual increase in the corporation tax rate.

MAIN CAPITAL ALLOWANCES

INITIAL ALLOWANCES

Full Expensing: 100% FYA	100%
First-year allowance: Special rate*	50%
Annual investment allowance on first £1m (excludes cars)**	100%
First-year allowance: including new and unused electric and zero emission vehicles	100%

*Applies to qualifying investments in new plant and machinery.

WRITING DOWN ALLOWANCES

Plant and machinery main-rate expenditure	18%	
Plant and machinery special-rate expenditure	6%	
Cars	1g/km - 50g/km	18%
	Over 50g/km	6%
Structures and building allowance - Straight line relief*	3%	

RESEARCH AND DEVELOPMENT (R&D) COSTS

Revenue expenditure - SMEs	186%
SME company R&D payable credit*	10%
Large company R&D taxable expenditure credit	20%
Capital expenditure - all companies	100%

*14.5% if R&D intensity is 40% or above.

VAT

FROM 1 APRIL	2023/24	2022/23
Standard rate	20%	20%
VAT fraction	1/6	1/6
Reduced rate	5%	5%
VAT fraction	1/21	1/21
Zero-rate	0%	0%
VAT fraction	N/A	N/A

TAXABLE TURNOVER LIMITS

FROM 1 APRIL	2023/24	2022/23
Registration (last 12 months or next 30 days) over	£85,000	£85,000
Deregistration (next year) under	£83,000	£83,000
Annual and cash accounting schemes turnover limit	£1.35m	£1.35m
Flat-rate scheme turnover limit	£150,000	£150,000