



Tax Card Financial Year April 2021 - March 2022

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Income Tax

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	2021/2022 and 2020/2021
Savings allowance basic rate	£1,000
Savings allowance higher rate	£500

Dividend income	2021/2022 and 2020/2021
Dividend allowance	£2000
Dividend ordinary rate	7.5%
Dividend upper rate	32.5%

Income Tax Relief

	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

<u>Individuals</u>	<u>2021/22</u>	<u>2020/21</u>
Exemption	£12,300	£12,300
Standard rate	10%	10%
Higher/additional 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%.

<u>Trusts</u>		
Exemption	£6,150	£6,150
Rate	20%	20%

Inheritance Tax

Death rate	Lifetime rate	Chargeable transfers 2021/22 and 2020/21
Nil 40%	Nil 20%	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.

Car, Van and Fuel Benefits

2021/22	Cars registered pre 6.4.20	Cars registered after 5.4.20
CO2 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	n37	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.

	2021/2022
Car Fuel Benefit	£24,600
Van Benefit	£3,500
Van Fuel Benefit	£669

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

Selected Rates

	2021/22	2020/21
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

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

2021/22 and 2020/21

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 £100,000 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 £50,000 per annum by making an SEIS investment.

National Living Wage and National Minimum Wage

Age	NLW	21-22	18-20	16-17	Apprentices
From 1st 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.

Tax Relief for Individuals

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. All tax relief subject to detailed conditions being met.

Individual Savings Accounts

	2021/22	2020/21
Overall Investment limit	£20,000	£20,000
Junior account investment limit	£9,000	£9,000

Devolved Income Tax

		2021/22	2020/21
Band £	Rate %	Band £	Rate%
0-37,700	20	0-37,500	20
37,701-150,000	40	37501-150,000	40
Over 150,000	45	Over 150,000	45

Wales rates and bands

		2021/22	2020/21
Band£	Rate%	Band£	Rate%
0-2,097	19	0-2,085	19
2,098-12,726	20	2,086-12,658	20
12,727-31,092	21	12,659-30,930	21
31,093-150,000	41	30,931-150,000	41
Over 150,000	46	Over 150,000	45

Scotland rates and bands

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%

Pensions

Lifetime Allowance Limit	£1,073,100	£1,073,100
Annual Allowance Limit	£40,000	£40,000
Money Purchase Annual Allowance	£4,000	£4,000

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

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

Property Taxes

Stamp Duty Land Tax

Land and buildings in England and N. Ireland

Residential Band £	Rate %	Non-residential Band £	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		

Across the whole of the UK, residential rates may be increased by 3% (4% in Scotland and Wales) where further residential properties are acquired.

*£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.

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 - 250,000*	0	0 - 225,000	0
*250,001 - 400,000	5	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		

***The rates are 0% up to £180,000, 3.5% from £180,001 - £250,000 and 5% from £250,001 - £400,000 from 1 July 2021.**

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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