

Corporation Tax

| | FY 2022 | FY 2021 |
|------------------------|---------|---------|
| Main rate | 19% | 19% |
| Loans to participators | 33.75% | 32.5% |

VAT

| Amounts | | Rates | |
|---|------------|---------------|-----|
| Annual registration limit (from 1 April 2022) | £85,000 | Standard rate | 20% |
| Annual deregistration limit (from 1 April 2022) | £83,000 | Reduced rate | 5% |
| VAT Cash accounting scheme threshold | £1,350,000 | Zero rate | 0% |
| VAT Annual accounting scheme threshold | £1,350,000 | | |

Pensions

| Contributions | 2022-23 | 2021-22 |
|---------------------------------|---------------|---------------|
| Lifetime allowance | £1,073,100 | £1,073,100 |
| Maximum annual contribution | £40,000 | £40,000 |
| Tax on excess | Marginal rate | Marginal rate |
| Normal minimum pension age | 55 | 55 |
| Money purchase annual allowance | £4,000 | £4,000 |

The annual allowance is tapered for taxpayers whose income exceeds £240,000 (2021-22: £240,000). The allowance is reduced by £1 for every £2 down to a minimum of £4,000 (2021-22: £4,000).

Car, Van & Fuel Benefits

Company cars
The annual benefit for company cars is based on a percentage of the list price. The percentage rate is dependent on the level of CO₂ emissions. The rate is 2% for zero emission cars and electric cars with a range greater than 130 miles with emissions from 1-50g/km. There are further variable rates from 1-50g/km. For emissions of 51-54g/km the rate is 15%. The rate then increases by 1% for each additional 5g/km above 55g/km up to a maximum rate of 37% reached at 160g/km.
There is a diesel supplement of 4% for cars not certified to RDE2 standard (max of 37%).

Car fuel benefit
£25,300 (2021-22: £24,600) × 'appropriate percentage'.
The charge is reduced if provision of private fuel ceases part way through the year. The fuel benefit is reduced to nil if the employee pays for all private fuel.

| Van benefit per vehicle | 2022-23 | 2021-22 |
|-------------------------|---------|---------|
| Van benefit | £3,600 | £3,500 |
| Fuel benefit | £688 | £669 |

| Mileage Allowance Payment | | |
|----------------------------------|---------|---------|
| Rate per mile | 2022-23 | 2021-22 |
| Cars & vans - up to 10,000 miles | 45p | 45p |
| - over 10,000 miles | 25p | 25p |
| Motorcycles | 24p | 24p |
| Bicycles | 20p | 20p |

Inheritance Tax

| | 2022-23 | 2021-22 |
|--------------------------------|----------|----------|
| Nil rate band for individuals* | £325,000 | £325,000 |
| Thereafter - lifetime gifts** | 20% | 20% |
| - lower rate on death*** | 36% | 36% |
| - on death | 40% | 40% |
| Residence nil rate band | £175,000 | £175,000 |

* Unused nil rate band can be used by surviving spouse or civil partner.

** Increased to 40%, subject to tapering relief, on gifts made between 3 and 7 years pre death. Certain lifetime gifts are exempt. Special rules for business property.

*** A lower rate applies where 10% or more of the net estate is left to charity.

| Years before death | 0-3 | 3-4 | 4-5 | 5-6 | 6-7 |
|--------------------|------|-----|-----|-----|-----|
| % of death charge | 100% | 80% | 60% | 40% | 20% |

| Main exempt lifetime gifts | |
|---|-----------|
| Recurring annual gifts out of surplus income | unlimited |
| Annual gifts out of capital (with one year carry forward if unused) | £3,000 |
| Small gifts (per recipient) | £250 |
| Parental gift on marriage | £5,000 |
| Grandparent or party to marriage | £2,500 |
| Other gifts on marriage (per donor) | £1,000 |

| Business Property Relief | |
|--|------|
| Shares in unquoted companies (including USM/AIM stocks) | 100% |
| Shares in quoted companies - shareholding up to 50% | none |
| - shareholding over 50% | 50% |
| Unincorporated business or interest in a business | 100% |
| Land, buildings, plant and machinery used in the deceased's business/company | 50% |

| Individual Savings Account (ISA) | 2022-23 | 2021-22 |
|----------------------------------|---------|---------|
| ISA limit | £20,000 | £20,000 |
| Lifetime ISA | £4,000 | £4,000 |
| Junior ISA | £9,000 | £9,000 |

Venture Capital Trusts
Income Tax relief of up to 30% on investments up to £200,000.

Enterprise Investment Scheme
Income Tax relief of up to 30% on qualifying share subscriptions up to £1,000,000. (up to £2,000,000 for qualifying investments in knowledge-intensive companies.)

Seed Enterprise Investment Scheme
Income Tax relief of 50% on maximum £100,000 with rollover of chargeable gains.

The information in this tax card is based upon the Autumn Budget 2021, Spring Statement 2022 and other announcements and may be subject to amendment.



TAX DATA 2022/23

Chard 01460 64441

Seaton 01297 20584

Taunton 01823 286274

Payroll 01460 68700

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Income Tax

| Bands: England & Northern Ireland | 2022-23 | 2021-22 |
|-----------------------------------|--------------------|--------------------|
| Savings starting rate – 0%* | £1 - £5,000 | £1 - £5,000 |
| Basic rate – 20% | £1 - £37,700 | £1 - £37,700 |
| Higher rate – 40% | £37,701 - £150,000 | £37,701 - £150,000 |
| Additional rate – 45% | Over £150,000 | Over £150,000 |
| Bands: Scotland | 2022-23 | 2021-22 |
| Starter rate – 19%** | £1 - £2,162 | £1 - £2,097 |
| Basic rate – 20% | £2,163 - £13,118 | £2,098 - £12,726 |
| Intermediate rate – 21% | £13,119 - £31,092 | £12,727 - £31,092 |
| Higher rate – 41% | £31,093 - £150,000 | £31,093 - £150,000 |
| Additional rate – 46% | Over £150,000 | Over £150,000 |
| Bands: Wales | 2022-23 | 2021-22 |
| Savings starting rate – 0%* | £1 - £5,000 | £1 - £5,000 |
| Basic rate – 20% | £1 - £37,700 | £1 - £37,700 |
| Higher rate – 40% | £37,701 - £150,000 | £37,701 - £150,000 |
| Additional rate – 45% | Over £150,000 | Over £150,000 |

* The savings starting rate does not apply if non-savings income exceeds £5,000.

** Assumes taxpayer is in receipt of the Personal Allowance.

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

| Dividend and savings | 2022-23 | 2021-22 |
|----------------------------|---------|---------|
| Dividend allowance | £2,000 | £2,000 |
| Dividend ordinary rate | 8.75% | 7.5% |
| Dividend upper rate | 33.75% | 32.5% |
| Dividend additional rate | 39.35% | 38.1% |
| Personal savings allowance | | |
| - basic rate taxpayers | £1,000 | £1,000 |
| - higher rate taxpayers | £500 | £500 |

| Reliefs | 2022-23 | 2021-22 |
|--|----------|----------|
| Personal allowance | £12,570 | £12,570 |
| Registered blind person's allowance | £2,600 | £2,520 |
| Income limit for personal allowance* | £100,000 | £100,000 |
| Married couples allowance (born pre 6/4/35) at 10% | £9,415 | £9,125 |
| - Minimum amount | £3,640 | £3,530 |
| - Income limit | £31,400 | £30,400 |
| Marriage allowance** | £1,260 | £1,260 |
| Rent-a-room relief | £7,500 | £7,500 |
| High Income Child Benefit Charge*** on income over | £50,000 | £50,000 |

There is a cap on Income Tax reliefs being the greater of £50,000 or 25% of income.

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

** A taxpayer can transfer up to £1,260 (2021-22: £1,260) of their unused personal allowance to a spouse or civil partner who is not a higher rate taxpayer.

*** A tax charge of 1% is levied for each £100 that income exceeds £50,000 to a maximum of 100%.

National Insurance

Class 1 (employed)

| Earnings limits (weekly) | Employee (primary) | Employer (secondary) |
|--|--------------------|----------------------|
| Up to £190 (EE) until 5 July 22: £175 (ER) | 0% | 0% |
| Up to £242 (EE) from 6 July 22: £175 (ER) | 0% | 0% |
| £190.01 (EE) until 5 July 22: £175.01 (ER) to £967 | 13.25% | 15.05% |
| £242.01 (EE) from 6 July 22: £175.01 (ER) to £967 | 13.25% | 15.05% |
| Over £967 | 3.25% | 15.05% |
| Over State Pension age | 0% | 15.05% |

Employers' contributions are 0% for employees under 21 and apprentices under 25 on earnings up to £967 per week.

Class 1A (employers only) 15.05% on the amounts of taxable benefits

Class 1B (employers only) 15.05% on PAYE settlement agreements

Class 2 (self-employed) £3.15 per week (unless earnings below lower profits limit)

Class 3 (voluntary) £15.85 per week

Class 4 (self-employed) 10.25% of profits between £11,908 (13 weeks at £9,880 and 39 weeks at £12,570) and £50,270 pa plus 3.25% on profits above £50,270

A National Insurance employment allowance of £5,000 (2021-22: £4,000) is available to offset against employers' Class 1 secondary NICs. The allowance is restricted to employers with employer NIC liabilities of under £100,000.

In 2022-23, the Health and Social Care Levy will be delivered through a temporary 1.25% increase in the main and additional rates of Class 1 and Class 4 NICs. From April 2023, these increases will be incorporated into the new Health and Social Care Levy with a corresponding 1.25% decrease in National Insurance rates.

Capital Gains Tax

| Annual exempt amount | 2022-23 | 2021-22 |
|----------------------|---------|---------|
| Individuals | £12,300 | £12,300 |
| Trusts | £6,150 | £6,150 |

| Rates | 2022-23 | 2021-22 |
|--|-------------|-------------|
| Standard rate taxpayers* | 10% | 10% |
| Higher rate taxpayers / Trustees* | 20% | 20% |
| * There is an 8% surcharge on the sale of chargeable residential property. | | |
| Business Asset Disposal Relief lifetime limit @ 10% | £1,000,000 | £1,000,000 |
| Investors' Relief lifetime limit @ 10% | £10,000,000 | £10,000,000 |

National Living Wage

| | 2022-23 | 2021-22 |
|----------------|------------|------------|
| Aged 23 & over | £9.50 p.h. | £8.91 p.h. |

National Minimum Wage

| | 2022-23 | 2021-22 |
|-----------------|------------|------------|
| Aged 21 to 22 | £9.18 p.h. | £8.36 p.h. |
| Aged 18 to 20 | £6.83 p.h. | £6.56 p.h. |
| Aged 16 to 17 | £4.81 p.h. | £4.62 p.h. |
| Apprentice rate | £4.81 p.h. | £4.30 p.h. |

Capital Allowances

| | 2022-23 | 2021-22 |
|---|------------|------------|
| Plant and machinery | | |
| - Main writing down allowance | 18% | 18% |
| - Long life assets, integral fixtures | 6% | 6% |
| - First year allowances – super-deduction | 130% | 130% |
| - First year allowances – special rate | 50% | 50% |
| - First year allowances – other | 100% | 100% |
| - R&D tax credits SME Scheme | 230% | 230% |
| - R&D expenditure credit | 13% | 13% |
| - Annual Investment Allowance (AIA) | £1,000,000 | £1,000,000 |
| - Structures and buildings allowance | 3% | 3% |

Stamp Duty Land Tax and regional equivalents

England and Northern Ireland: **Stamp Duty Land Tax (SDLT)**

| Rates | Residential property | Rates | Non-residential and mixed use property |
|-------|-----------------------|-------|--|
| Zero | £0 - £125,000 | Zero | £0 - £150,000 |
| 2% | £125,001 - £250,000 | 2% | £150,001 - £250,000 |
| 5% | £250,001 - £925,000 | 5% | Over £250,000 |
| 10% | £925,001 - £1,500,000 | | |
| 12% | Over £1,500,000 | | |

A 2% surcharge on non-UK residents purchasing residential property applies from 1 April 2021.

Scotland: Land & Buildings Transaction Tax (SLBTT)

| Rates | Residential property | Rates | Non-residential and mixed use property |
|-------|----------------------|-------|--|
| Zero | £0 - £145,000 | Zero | £0 - £150,000 |
| 2% | £145,001 - £250,000 | 1% | £150,001 - £250,000 |
| 5% | £250,001 - £325,000 | 5% | Over £250,000 |
| 10% | £325,001 - £750,000 | | |
| 12% | Over £750,000 | | |

Wales: Land Transaction Tax (WLTT)

| Rates | Residential property | Rates | Non-residential and mixed use property |
|-------|-----------------------|-------|--|
| Zero | £0 - £180,000 | Zero | £0 - £225,000 |
| 3.5% | £180,001 - £250,000 | 1% | £225,001 - £250,000 |
| 5% | £250,001 - £400,000 | 5% | £250,001 - £1,000,000 |
| 7.5% | £400,001 - £750,000 | 6% | Over £1,000,000 |
| 10% | £750,001 - £1,500,000 | | |
| 12% | Over £1,500,000 | | |

All rates of **SDLT**, **SLBTT** and **WLTT** are applied on a graduated basis with the portion of the purchase price within each tier charged at the applicable rate.

A higher rate of **SDLT**, **SLBTT** and **WLTT** applies on most purchases of additional residential property such as buy to let and second homes.

There are some special reliefs for qualifying first-time buyers. In England and Northern Ireland, no **SDLT** is payable for first-time buyers making a purchase of up to £300,000. The relief also applies to the first £300,000 on purchases of up to £500,000. In Scotland, the zero-rate band for **SLBTT** is extended to £175,000 for first-time buyers. There are currently no specific measures targeting first-time buyers in Wales.