

Tax & Benefit Tables 2023-24

A Summary Guide



6th April 2023 - 5th April 2024

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Individual Income Taxes

Income Tax Rates

<i>Tax Bands</i>	<i>Band Start</i>	<i>Band End</i>	<i>Tax Rate</i>	<i>Income Total</i>	<i>Dividend Rate</i>
Nil Rate	£0	£12,570	0%	£12,570	0.0%
Basic Rate	£12,571	£37,700	20%	£50,271	7.5%
Dividend Income Tax applies only to Taxable Income in excess of £2,000 Annual Allowance.					
Higher Rate	£50,271	£150,000	40%	£162,570	32.5%
Additional Rate	£150,001	None	45%	£162,570	38.0%
Interest Allowance	£0	£5,000	0.0%	Total Income > £17,500	
Personal Savings Allowance	£0	£1,000	0.0%	Nil & Basic Rate Tax Payers	
Personal Savings Allowance	£0	£500	0.0%	Higher Rate Tax Payers	
Dividend Allowance	£0	£2,000	0.0%	Nil - All Tax Bands	

Other Tax Allowances

<i>Consideration</i>	<i>Threshold</i>	<i>Tax Rate / Relief</i>
Rent a Room	£7,500	0%
Property Rental Allowance	£1,000	0%
Venture Capital Trusts	£200,000	30%
Enterprise Investment Schemes	£1,000,000	30%
Venture Capital Trusts	£100,000	50%

Individual/Joint Income Allocation
Each Rented Property

National Insurance Contribution Rates

<i>Class</i>	<i>Contributor</i>	<i>Band</i>	<i>Rate</i>
1	Employed	£6,240	0.0%
		£9,568	12.0%
		£50,000	2.0%
1A	Voluntary	Any	£800.00
2	Self Employed	Stamp Rate	£158.60
4		£6,515	0.0%
		£9,568	9.0%
		£50,270	2.0%

National Insurance Contributions are payable on all 'Earned Income' prior to attaining your Personal State Pension Age. 'Earned Income' excludes Pension, Savings, & Investment Income which is classed as 'Un-Earned Income'.

Individual Capital Gains Taxes

<i>Tax Bands</i>	<i>Investments Allowance</i>	<i>Tax Rate</i>	<i>Property Allowance</i>	<i>Tax Rate</i>
Nil & Basic Rate Tax Payers	£12,300	10%	£12,300	18%
Higher Rate Tax Payers	£12,300	20%	£12,300	28%
Govt Gilts & Corporate Bonds	Unlimited	0%	Unlimited	0%
Chattels (Personal Valuables)	£6,000	0%	£6,000	0%

Stamped Taxes (Duties)

Stamp Duty Land Tax (1st Time Buyers)	£0 - £300,000	0%
Stamp Duty Land Tax (Other)	£0 - £125,000	0%
	£125,000 - £250,000	2%
	£250,000 - £925,000	5%
	£925,000 - £1,500,000	10%
	£1,000,000 - £1,500,000	10%
	£1,500,000 +	12%
Investment Purchase Tax (Stamp Duty Reserve Tax on Listed Shares/Investment Trust Companies(ITC's))	There is no Investment Tax on Collective Investment Funds (OEICS/UCITS)	0.5%

ISA Contributions (Individual Savings Accounts)

Consideration	Annual Allowance	Tax Rate *
Adult ISA (Age 18)	£20,000	0%
Junior ISA (Age 17)	£9,000	0%

Individual Pension Contributions & Tax Allowances

Annual Allowances	Gross Allowance	Maximum Tax Relief	
Minimum Personal Allowance	£3,600	20%	Reduces to £4,000 within Pension Drawdown.
Maximum Personal Allowance	£40,000 or 100% Earnings	20% / 40%	
Contributions in excess of the Annual Allowance are subject to Taxation at the Individual Income Tax Rates			

Lifetime Allowances	Gross Allowance	Maximum Tax Surcharge
Maximum Lifetime Allowance	£1,000,000	25% TFC + 75% Income Tax Rates
Trivial Commutation	£18,000	
Pension Capital Values in excess of the Lifetime Allowance are subject to 25% Income Drawdown Tax or 50% Capital Withdrawal Tax.		
Trivial Commutation includes ALL Personal/Employer Pensions, and must be excersised within any ONE year from Age 60 to 74 only. Benefits remitted as Tax Free Capital Sum (25%) + Residual Capital Balance (75%).		

State Pension & Child Benefit (Annual Amounts)

Benefit	Gross Amount	Qualifying Years & Criteria
New State Pension @ Age 66+	£10,600.00	35 Years
Pension Deferral Benefit	10% Annually	Pension Income or Cash Lump Sum (25% TFC)
Child Benefit (Primary Parent/Carer)	Only Child @ £20.70 Week Subsequent Child @ £13.70 Week	

Inheritance Tax

UK Status *	Maximum Allowance	Allowance Period		Tax Rate
UK Domiciled Individuals	£325 000 Estate + £175,000 Main Residence	Lifetime	£500,000	0%
				40%
UK Domiciled Couples	£650 000 Estate + £350,000 Main Residence	Lifetime	£1,000,000	0%
				40%

Individuals are 'Deemed Domicile' if UK Resident 17+ Years of 20 Years preceeding Death.

Residual Estate IHT is reduced to 36% if Charity Donation equals 10% or more of Gross Estate Value. The Charity Donation is also Exempt.

Exempt Transfers by Individual Donors	Annual Exemption	Basis
Capital Gifts	£3,000	Donor Annual Allowance
Wedding Gifts	£5,000	Recipient Son/Daughter
Small Gifts	£250	Any Recipient Individual(s) (Unlimited)
Registered Charities *	Unlimited	Any Recipient Charities(s) (Unlimited)

Potentially Exempt Transfers	Years Preceding Death	IHT Rate Reduction	
Financial Gifts in Excess of above Exempt IHT Allowances:	0 - 3 Years	0%	Full IHT Charge @ 40%
	3 - 4 Years	20%	Sliding Scale Reduced Charges
	4 - 5 Years	40%	
	5 - 6 Years	60%	
	6 - 7 Years	80%	
	7 Years +	100%	No IHT Charge (0%)

Exempt Transfers	Exemption	Basis
Capital Gifts	£3,000	Single Annual Gift
Wedding Gifts	£5,000	Each Son/Daughter
Small Gifts	£250	Each Person Annually (Unlimited)
Registered Charities *	Unlimited	Full PAYE Personal / Corporation Tax Relief

* Charities can reclaim Basic Rate Income Tax ; and Individuals can reclaim Full Income Tax Relief.

General Notes

Please note that this document is provided for your information only, and is not therefore intended to convey any Financial Advice or Recommendations. We hope that you will find this information useful, and that you may be guided by it.

The data contained within this document has been sourced and compiled from HMRC, and whilst we believe it to be correct, we may not be held liable for any inaccuracies or subsequent changes to this information.

We would also be happy to help you further if you consider that you would like our Financial Advice on these or any other Financial Planning matters.