



LandFamilyBusiness

Strategic Tax & Accountancy for Farms & Estates

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2023 2024

TAX RATES

Income Tax

Rates and bands (other than savings and dividend income)

2023/24		2022/23	
Band £	Rate %	Band £	Rate %
0 - 37,700	20	0 - 37,700	20
37,701 - 125,140	40	37,701 - 150,000	40
Over 125,140	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	2023/24 and 2022/23
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	2023/24	2022/23
Dividend allowance	£1,000	£2,000
Dividend ordinary rate	8.75%	8.75%
Dividend upper rate	33.75%	33.75%
Dividend additional rate	39.35%	39.35%

Income Tax Reliefs

	2023/24	2022/23
Personal allowance	£12,570	£12,570
Personal allowance income limit	£100,000	£100,000
Marriage allowance	£1,260	£1,260
Married couple's allowance	£10,375	£9,415
- minimum amount	£4,010	£3,640
- income limit	£34,600	£31,400
Blind person's allowance	£2,870	£2,600

Individual Savings Accounts

	2023/24	2022/23
Overall investment limit	£20,000	£20,000
Junior account investment limit	£9,000	£9,000

Car, Van and Fuel Benefits

2023/24		
CO ₂ emissions g/km		% of list price taxed
0		2
1 - 50		
Electric range	130 or more	2
	70 - 129	5
	40 - 69	8
	30 - 39	12
	under 30	14
51 - 54		15
For every extra 5		+1
160 and above		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.

2023/24

Car fuel benefit	£27,800
Van benefit	£3,960
Van fuel benefit	£757

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 Band £	Rate %	Non-residential Band £	Rate %
0 - 250,000	0	0 - 150,000	0
250,001 - 925,000	5	150,001 - 250,000	2
925,001 - 1,500,000	10	Over 250,000	5
Over 1,500,000	12		

First-Time Buyer relief may apply to residential purchases up to £625,000.

National Insurance

2023/24 Class 1 (employed) rates

Employee		Employer	
Earnings per week	%	Earnings per week	%
Up to £242	Nil	Up to £175	Nil
£242.01 - £967	12	Over £175	13.8
Over £967	2		

Entitlement to contribution-based benefits for employees retained for earnings between £123 and £242 per week. The employer rate is 0% for certain military veterans, 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) nil on profits between £6,725 and £12,570 plus £3.45 per week where profits over £12,570

Class 3 (voluntary) flat rate per week £17.45

Class 4 (self-employed) 9% on profits between £12,570 and £50,270 plus 2% on profits over £50,270

Capital Gains Tax

Individuals	2023/24	2022/23
Exemption	£6,000	£12,300
Standard rate	10%	10%
Higher/additional rate	20%	20%
Trusts		
Exemption	£3,000	£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%.

Inheritance Tax

Death rate	Lifetime rate	Chargeable transfers 2023/24 and 2022/23
Nil	Nil	0 - £325,000 (nil rate band)
40%	20%	Over £325,000

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

Corporation Tax

Year to 31.3.24	Profits band £	Rate %
Small profits rate	0 - 50,000	19
Marginal rate	50,001 - 250,000	26.5
Main rate	Over 250,000	25
Marginal relief fraction	3/200	

For the year to 31.3.23 the main rate of corporation tax was 19%. Special rules apply to accounting periods straddling 1 April 2023. For the year to 31.3.24 the profits limits are reduced for a company with associated companies. Different rates apply for ring-fenced (broadly oil industry) profit.

Capital Allowances

First Year Allowance (FYA) on certain plant, machinery and cars of 0g/km	100%
Corporation tax FYA ('full expensing') on certain new, unused plant and machinery from 1 April 2023	100%
Corporation tax FYA on new, unused long-life assets, integral features of buildings, etc. from 1 April 2023	50%
Annual Investment Allowance £1,000,000 excluding 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

	2023/24	2022/23
Lifetime Allowance (LA) limit	No LA charge	£1,073,100
Annual Allowance limit	£60,000	£40,000
Money Purchase Annual Allowance	£10,000	£4,000

Value Added Tax

	From 1.4.23	From 1.4.22
Standard rate	20%	20%
Reduced rate	5%	5%
Annual Registration Limit	£85,000	£85,000
Annual Deregistration Limit	£83,000	£83,000

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

	2023/24	2022/23
Weekly benefit	£	£
New State Pension	203.85	185.15
Old State Pension	156.20	141.85
Statutory pay standard rates - average weekly earnings £123 (£123) or over		
Sick Pay	109.40	99.35
Maternity/Adoption Pay	172.48	156.66
Shared Parental Pay	172.48	156.66
Paternity Pay	172.48	156.66

National Living Wage and National Minimum Wage

Age	NLW	21-22	18-20	16-17	Apprentices
From 1 April 2023	£10.42	£10.18	£7.49	£5.28	£5.28

Applies to apprentices under 19 or 19 and over in the first year of apprenticeship. NLW applies to those aged 23 and over.

Tax Reliefs for Individuals

2023/24

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 £200,000* 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 £100,000* per annum by making an SEIS investment.

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.

*Limits subject to Parliamentary approval.