

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%

Tax Favoured Investments

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.

BELLS 
Accountancy with Bookkeeping

TAX CARD

2022-23

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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		
2%	£125,001 - £250,000	Zero	£0 - £150,000
5%	£250,001 - £925,000	2%	£150,001 - £250,000
10%	£925,001 - £1,500,000	5%	Over £250,000
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		
2%	£145,001 - £250,000	Zero	£0 - £150,000
5%	£250,001 - £325,000	1%	£150,001 - £250,000
10%	£325,001 - £750,000	5%	Over £250,000
12%	Over £750,000		

Wales: Land Transaction Tax (WLTT)

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