

PERSONAL TAXATION

Main personal allowances and reliefs		2024/25	2023/24
Personal allowance ¹		£12,570	£12,570
Married couple's / civil partners' transferable allowance		£1,260	£1,260
Married couple's / civil partners' allowance at 10% ² (if at least one born before 6/4/35)	maximum	£11,080	£10,375
	minimum	£4,280	£4,010
Blind person's allowance		£3,070	£2,870
Rent-a-room relief		£7,500	£7,500
Property allowance and trading allowance (each)		£1,000	£1,000

1. Personal allowance reduced by £1 for every £2 of adjusted net income over £100,000.

2. Reduced by £1 for every £2 of adjusted net income over £37,000 (£34,600 for 2023/24), until the minimum is reached.

Income tax rates and bands	2024/25	2023/24
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UK taxpayers excluding Scottish taxpayers' non-dividend, non-savings income

20% basic rate on taxable income up to	£37,700	£37,700
40% higher rate on next slice over	£37,700	£37,700
45% additional rate on income over	£125,140	£125,140

All UK taxpayers

Starting rate at 0% on band of savings income up to ³	£5,000	£5,000
Personal savings allowance at 0%:		
basic rate taxpayers	£1,000	£1,000
higher rate taxpayers	£500	£500
additional rate taxpayers	£0	£0
Dividend allowance at 0% tax – all individuals	£500	£1,000
Tax rates on dividend income:		
basic rate taxpayers	8.75%	8.75%
higher rate taxpayers	33.75%	33.75%
additional rate taxpayers	39.35%	39.35%

3. Not available if taxable non-savings income exceeds the starting rate band.

Scottish taxpayers' non-dividend, non-savings income*	2024/25	2023/24
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19% starter rate on taxable income up to	TBA	£2,162
20% basic rate on next slice up to	TBA	£13,118
21% intermediate rate on next slice up to	TBA	£31,092
42% higher rate on next slice up to	TBA	£125,140
47% top rate on income over	TBA	£125,140

*Scottish Budget to be published on 19 December 2023

Trusts	2024/25	2023/24
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Income exemption generally	£500	N/A
Standard rate band generally	N/A	£1,000
Dividends (rate applicable to trusts)	39.35%	39.35%
Other income (rate applicable to trusts)	45%	45%

High income child benefit charge: 1% of benefit per £100 adjusted net income of £50,000–£60,000.

NATIONAL INSURANCE CONTRIBUTIONS 2024/25

Class 1	Employee – Primary	Employer – Secondary
NICs rate	10% ¹	13.8%
No NICs for employees generally on the first	£242 pw	£175 pw
No NICs for younger employees ² on the first	£242 pw	£967 pw
NICs rate charged up to	£967 pw	No limit
2% NICs on earnings over	£967 pw	N/A

1. Applies from 6 January 2024. 12% between 6 April 2023 and 5 January 2024.

2. No employer NICs on the first £967 pw for employees generally under 21 years, apprentices under 25 years and veterans in first 12 months of civilian employment. No employer NICs on the first £481 pw for employees at freeports and investment zones in Great Britain in the first three years of employment.

Employment allowance

Per business	£5,000
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Not available if the sole employee is a director or if employer's NICs for 2023/24 are £100,000 or more.

Limits and thresholds	Weekly	Monthly	Annual
Lower earnings limit	£123	£533	£6,396
Primary threshold	£242	£1,048	£12,570
Secondary threshold	£175	£758	£9,100
Upper earnings limit (and upper secondary thresholds for younger/veteran employees and apprentices under 25)	£967	£4,189	£50,270

Class 1A Employers

On car and fuel benefits and most other taxable benefits provided to employees and directors	13.8%
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Class 2 Self-employed

Flat rate (voluntary)	£3.45 pw	£179.40 pa
Small profits threshold		£6,725 pa
Lower profits limit		£12,570 pa

Class 4 Self-employed

On annual profits of	£12,570–£50,270	8%
	Over £50,270	2%

Voluntary

Class 3 flat rate	£17.45 pw	£907.40 pa
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