

Tax rates & allowances.

For 2025/2026 tax year.

Important dates.

5th October 2025

Deadline to register for Self Assessment if you're self employed or a sole trader, not self-employed or registering a partner or partnership.

31st October 2025

Deadline for postal submission of 2024/25 Self Assessment Tax Returns.

31st January 2026

The deadline for filing online 2024/25 Self Assessment Tax Return. First payment on account for the 2024/25 tax year, where required.



Pensions.

	2025/26
Annual allowance*	£60,000**
Gross Junior Pension allowance*	£3,600
<p>* Income tax relief is available, provided total contributions (including relief) don't exceed £3,600 or your relevant UK earnings, whichever is higher, subject to the Annual Allowance limit. There is the potential to bring forward unused Annual Allowance from the three previous tax years, subject to certain limits.</p> <p>** Reduces by £1 for every £2 of adjusted income over £260,000 to a minimum 'Tapered Annual Allowance' of £10,000.</p>	
Money Purchase Annual Allowance	£10,000
Basic State Pension - Single person per week	£176.45
Basic State Pension - Spouse/civil partner insurance per week	£105.70
New State Pension* - Single person per week	£230.25
<p>* You may get more or less than the indicated full New State Pension, based on your National Insurance record.</p>	

Individual Savings Accounts.

	2025/26
ISA allowance	£20,000*
Junior ISA allowance	£9,000
<p>* You can invest up to £20,000 each year in one type of ISA or split the allowance across some or all of the other types. Of this £20,000 allowance, only £4,000 may be paid into a Lifetime ISA each tax year.</p>	

Capital Gains Tax.

	2025/26
Basic Rate taxpayers*	18%
Higher & Additional Rate taxpayers*	24%
<p>* For individuals, including residential property gains, but excluding carried interest gains.</p>	
Carried Interest Gains	32%
Annual Exemptions	2025/26
Individuals	£3,000
Trusts	£1,500

Income Tax.

Band	Taxable Income	Tax Rate
Personal Allowance	Up to £12,570*	0%
Basic Rate	£12,571* - £50,270*	20%
Higher Rate	£50,271* - £125,140	40%
Additional Rate	Over £125,140	45%

* Reduced by £1 for every £2 income above £100,000, subject to a maximum reduction of £12,570.

Income Tax (Scotland).

Band	Taxable Income	Tax Rate
Personal Allowance	Up to £12,570*	0%
Starter Rate	£12,571* to £15,397*	19%
Basic Rate	£15,398* to £27,491*	20%
Intermediate Rate	£27,492* to £43,662*	21%
Higher Rate	£43,663* to £75,000*	42%
Advanced Rate	£75,001* to £125,140	45%
Top Rate	Over £125,140	48%

* Reduced by £1 for every £2 income above £100,000, subject to a maximum reduction of £12,570.

Starting Rate for Savings

Other income below £12,570	£5,000
Other income above £17,570	£0

If your other income is between £12,570 and £17,570, the Starting Rate for Savings will be reduced by £1 for every £1 your other income exceeds £12,570.

Personal Savings Allowance

Basic Rate	£1,000 of savings income (Interest)
Higher Rate	£500 of savings income (Interest)
Additional Rate	No Savings Allowance

Dividend Allowance

The Dividend Allowance	£500
Amounts received over the £500 allowance will be taxed as follows:	
Basic Rate	8.75%
Higher Rate	33.75%
Additional Rate	39.35%

Main Income Tax Reliefs.

	2025/26
Personal Allowance (for income up to £100,000)*	£12,570
Blind Persons Allowance	£3,130
Marriage Allowance	£1,260

* Reduced by £1 for every £2 of income above £100,000. Non-residents may not be entitled to a Personal Allowance.

Inheritance Tax.

	2025/26
Nil Rate Band	£325,000
Residence Nil Rate Band*	£175,000
Tax on Excess**	40%
Annual Gift Exemption	£3,000
Gifts to Charities	Exempt
Small Gift to Same Person per tax year	£250

Gift Exemption for Weddings/Civil Partnerships

Child	£5,000
Grandchild	£2,500
Other person	£1,000

* Reduced by £1 for every £2 the estate is above £2,000,000

** A reduced rate of 36% applies where 10% or more of a net chargeable estate is left to charity.

Inheritance Tax charge on gifts made within the seven years before death.

Years Before Death	0-3	3-4	4-5	5-6	6-7	7 or more
Inheritance Tax Rate	40%	32%	24%	16%	8%	0%

Inheritance Due Dates.

On death

Inheritance Tax must be paid by the end of the sixth month after the person's death.

Following a Chargeable Lifetime Transfer

Where a lifetime transfer is made after 5th April and before 1st October, Inheritance Tax must be paid by the 30th April in the following calendar year.

Where a lifetime transfer is made after 30th September and before 6th April, Inheritance Tax is due six months after the end of month in which the transfer is made.

Any extra tax payable on the death of the transferor within seven years of a chargeable lifetime transfer is due six months after the end of the month in which the death occurs.

Stamp Duty Land Tax.

Single residential property		Rate:
Value up to £125,000		Zero
Portion from £125,001 - £250,000		2%
Portion from £250,001 - £925,000		5%
Portion from £925,001 - £1.5 million		10%
Portion above £1.5 million		12%
Additional residential property		Rate:
Value up to £125,000		5%
Portion from £125,001 - £250,000		7%
Portion from £250,001 - £925,000		10%
Portion from £925,001 - £1.5 million		15%
Portion above £1.5 million		17%
First time buyers		Rate:
Value up to £300,000		Zero
Portion from £300,001 - £500,000		5%
Over £500,000		Cannot claim relief

National Insurance.

Class 1 National Insurance Thresholds	2025/26
Lower Earnings Limit	£6,500 per year
Primary Threshold (PT)	£12,570 per year
Secondary Threshold (ST)	£5,000 per year
Upper Earnings Limit (UEL)	£50,270 per year
Upper Secondary Threshold (for under 21s)	£50,270 per year
Apprentice Upper Secondary Threshold (AUST) for under 25s	£50,270 per year
Veteran Upper Secondary Threshold	£50,270 per year
Freeport/Investment Zones Upper Secondary Thresholds	£25,000
Employment Allowance	£10,500 per year

National Insurance (Continued).

Employee Class 1 National Insurance Rates	
Earnings band	2025/26
Between Primary Threshold and Upper Earnings Limit	8%
Above Upper Earnings Limit	2%

Employer Class 1 National Insurance Rates	
Earnings band	2025/26
Below the relevant Upper Secondary Threshold for Under 21s, Apprentices under 25, Veterans, Freeports and Investment Zones	0%
Below the Secondary Threshold	0%
Above the Secondary Threshold (for standard employees)	15%
Above the relevant Upper Secondary Threshold for Under 21s, Apprentices under 25, Veterans, Freeports and Investment Zones	15%
Class 1A Rate on expenses and benefits	15%

This guide is provided for general information purposes only and it should not be relied upon in place of legal or other professional tax advice. The information is sourced from HMRC and Government legislation as at **18th March 2025** and is correct to the best of our knowledge. Tax rules and legislation can change, and the value of tax benefits are dependent on individual circumstances.



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