

# Tax rates & allowances.

For 2024/2025 tax year.

## Important dates.

### 5th October 2024

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

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### 31st October 2024

Deadline for postal submission of 2023/24 Self Assessment Tax Returns.

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### 31st January 2025

The deadline for filing online 2023/24 Self Assessment Tax Return. First interim payment of Income Tax due for 2023/24, where required.



## Pensions.

	2024/25
Annual allowance*	£60,000**
Gross Junior Pension allowance*	£3,600

\* Income Tax relief available on higher of £3,600 or relevant UK earnings, subject to annual allowance limit. Potential to bring forward unused Annual Allowance from the three previous tax years, subject to certain limits.

\*\* Reduces by £1 for every £2 adjusted income over £260,000 to a minimum of £10,000.

Money Purchase Annual Allowance	£10,000
Basic State Pension - Single person per year	£8,814.00
Basic State Pension - Spouse/civil partner per year	£5,280.60
New State Pension* - Single person per year	£11,502.40

\* You may get more or less than the indicated full New State Pension, based on your National Insurance record.

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## Individual Savings Accounts.

	2024/25
Annual allowance	£20,000*
Junior ISA allowance	£9,000

\* You can save up to £20,000 in one type of ISA or split the allowance across some or all of the other types. You can only pay £4,000 into a Lifetime ISA in a tax year.

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## Capital Gains Tax.

	2024/25
Basic Rate taxpayers*	10%
Higher & Additional Rate taxpayers*	20%

\* For individuals (not including residential property gains and carried interest gains).

Residential Property Sales – Basic Rate	18%
Residential Property Sales – Higher or Additional Rate	24%

Annual Exemptions	2024/25
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%

# Income Tax (Scotland).

Band	Taxable Income	Tax Rate
Personal Allowance	Up to £12,570	0%
Starter Rate	£12,571 to £14,876	19%
Basic Rate	£14,877 to £26,561	20%
Intermediate Rate	£26,562 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%

## 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%

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# Main Income Tax Reliefs.

	2024/25
Personal Allowance (for income up to £100,000)*	£12,570
Blind Persons Allowance	£3,070
Marriage Allowance	£1,260

\* Reduced by £1 for every £2 income above £100,000, non-residents may not be entitled.

## Reduced 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
Tax Paid	40%	32%	24%	16%	8%	0%

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## Inheritance Tax.

	2024/25
Nil Rate Band	£325,000
Residence Nil Rate*	£175,000
Tax on Excess**	40%
Transfers to Certain Trusts	36%
Annual Gift Exemption	£3,000
Gifts to Charities	Exempt
Small Gift to Same Person	£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.

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## Inheritance Tax Payments.

- **On death:** Inheritance Tax must be paid by the end of the sixth month after the person's death.
- **Due date for payment:** lifetime transfers chargeable when made where the transfer was made after 5th April and before 1st October in any year, on 30th April in the following year or where the transfer was made after 30<sup>th</sup> September and before 6th April in any year, six months after the end of the month in which the transfer was made.

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

## Stamp Duty Land Tax.

### Consideration paid

	Rate:
Value up to £250,000	0%
£250,001 - £925,000	5%
£925,001 - £1,500,000	10%
Over £1,500,000	12%

### For the purchase of 'additional' property

	Rate:
Up to £250,000	3%
Between £250,001 and £925,000	8%
Between £925,001 and £1.5 million	13%
Over £1.5 million	15%

### First time buyers

	Rate:
Up to £425,000	0%
£425,001 - £625,000	5%
Over £625,000	Cannot claim relief

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## National Insurance.

### Class 1 National Insurance Thresholds

	2024/25
Lower Earnings Limit	£6,396 per year
Primary Threshold (PT)	£12,570 per year
Secondary Threshold (ST)	£9,100 per year
Upper Secondary Threshold (under 21) (UST)	£50,270 per year
Apprentice Upper Secondary Threshold (apprentice under 25) (AUST)	£50,270 per year
Upper Earnings Limit (UEL)	£50,270 per year

# National Insurance (Cont'd).

## Employer Rates

<b>Class 1 National Insurance Rates</b>	<b>2024/25</b>
Above the Secondary Threshold	13.8%
Below Upper Secondary Threshold	0%
Below Freeports Upper Secondary Threshold	0%
Below Apprentice Upper Secondary Threshold	0%
Below Investment Zones Upper Secondary Threshold	0%
Below Veterans Upper Secondary Threshold	0%
Class 1A Rate on expenses and benefits	13.8%

## Employee Rates

<b>Class 1 National Insurance Rates</b>	<b>2024/25</b>
Between Primary Threshold and Upper Earnings Limit	8%
Above Upper Earnings Limit	2%
Married women's reduced rate between Primary Threshold and Upper Earnings Limit	1.85%
Rate for employees deferring National Insurance	2%

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 7th May 2024 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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