



# Buzzacott

2019 and 2020  
UK Tax Rates  
and Allowances

## Income Tax

**Rates and bands** (other than savings and dividend income)

| 2019/20          |        | 2018/19          |        |
|------------------|--------|------------------|--------|
| Band £           | Rate % | Band £           | Rate % |
| 0 - 37,500       | 20     | 0 - 34,500       | 20     |
| 37,501 - 150,000 | 40     | 34,501 - 150,000 | 40     |
| Over 150,000     | 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 2019/20 and 2018/19

|                               |        |
|-------------------------------|--------|
| 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 2019/20 and 2018/19

|                          |        |
|--------------------------|--------|
| Dividend allowance       | £2,000 |
| Dividend ordinary rate   | 7.5%   |
| Dividend upper rate      | 32.5%  |
| Dividend additional rate | 38.1%  |

## Income Tax Reliefs

|                                 | 2019/20  | 2018/19  |
|---------------------------------|----------|----------|
| Personal allowance              | £12,500  | £11,850  |
| Personal allowance income limit | £100,000 | £100,000 |
| Marriage allowance              | £1,250   | £1,190   |
| Married couple's allowance      | £8,915   | £8,695   |
| - minimum amount                | £3,450   | £3,360   |
| - income limit                  | £29,600  | £28,900  |
| Blind person's allowance        | £2,450   | £2,390   |

## Individual Savings Accounts

|                                 | 2019/20 | 2018/19 |
|---------------------------------|---------|---------|
| Overall investment limit        | £20,000 | £20,000 |
| Junior account investment limit | £4,368  | £4,260  |

## Devolved Income Tax

### Scotland rates and bands

| 2019/20          |        | 2018/19          |        |
|------------------|--------|------------------|--------|
| Band £           | Rate % | Band £           | Rate % |
| 0 - 2,049        | 19     | 0 - 2,000        | 19     |
| 2,050 - 12,444   | 20     | 2,001 - 12,150   | 20     |
| 12,445 - 30,930  | 21     | 12,151 - 31,580  | 21     |
| 30,931 - 150,000 | 41     | 31,581 - 150,000 | 41     |
| Over 150,000     | 46     | Over 150,000     | 46     |

### Wales rates and bands

 Introduced from 6 April 2019.

| 2019/20          |        | 2018/19          |        |
|------------------|--------|------------------|--------|
| Band £           | Rate % | Band £           | Rate % |
| 0 - 37,500       | 20     | 0 - 34,500       | 20     |
| 37,501 - 150,000 | 40     | 34,501 - 150,000 | 40     |
| Over 150,000     | 45     | Over 150,000     | 45     |

## Capital Gains Tax

| Individuals            | 2019/20 | 2018/19 |
|------------------------|---------|---------|
| Exemption              | £12,000 | £11,700 |
| Standard rate          | 10%     | 10%     |
| Higher/additional rate | 20%     | 20%     |
| Trusts                 |         |         |
| Exemption              | £6,000  | £5,850  |
| Rate                   | 20%     | 20%     |

*Higher rates (18/28%) may apply to the disposal of certain residential property and carried interest.*

### Entrepreneurs' Relief and Investors' Relief

*The first £10m of qualifying gains are charged at 10%. Gains in excess of the limit are charged at the rates detailed above.*

## Inheritance Tax

| Death rate | Lifetime rate | Chargeable transfers<br>2019/20 and 2018/19 |
|------------|---------------|---|
| Nil        | Nil           | 0 - £325,000 (nil rate band)                |
| 40%        | 20%           | Over £325,000                               |

*A further nil rate band of £150,000 (£125,000 for 2018/19) may be available in relation to current or former residences.*

## Car, Van and Fuel Benefits

| Company cars 2019/20           |                                      | For 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%.<br><br>For emissions over 94g/km if the CO <sub>2</sub> figure does not end in a 5 or 0 round down to the nearest 5 or 0. |
|--------------------------------|--------------------------------------|--|
| CO <sub>2</sub> emissions g/km | Percentage of car's list price taxed |  |
| 0-50                           | 16                                   |  |
| 51-75                          | 19                                   |  |
| 76-94                          | 22                                   |  |
| for every additional 5         | additional 1%                        |  |
| 165 and above                  | 37% (maximum)                        |  |

### 2019/20

|                  |         |
|------------------|---------|
| Car fuel benefit | £24,100 |
| Van benefit      | £3,430  |
| Van fuel benefit | £655    |

| Cars and vans mileage allowance | Rate per mile |
|---------------------------------|---------------|
| Up to 10,000 miles              | 45p           |
| Over 10,000 miles               | 25p           |

## National Insurance

### 2019/20 Class 1 (employed) rates

| Employee          |     | Employer          |      |
|-------------------|-----|-------------------|------|
| Earnings per week | %   | Earnings per week | %    |
| Up to £166        | Nil | Up to £166        | Nil  |
| £166.01 - £962    | 12  | Over £166         | 13.8 |
| Over £962         | 2   |                   |      |

*Entitlement to contribution-based benefits for employees retained for earnings between £118 and £166 per week.*

*The employer rate is 0% for employees under 21 and apprentices under 25 on earnings up to £962 per week.*

|                                |  |
|--------------------------------|--|
| <b>Class 1A (employers)</b>    | 13.8% on employee taxable benefits                                       |
| <b>Class 1B (employers)</b>    | 13.8% on PAYE Settlement Agreements                                      |
| <b>Class 2 (self-employed)</b> | flat rate per week £3.00<br>small profits threshold £6,365 per annum     |
| <b>Class 3 (voluntary)</b>     | flat rate per week £15.00  |
| <b>Class 4 (self-employed)</b> | 9% on profits between £8,632 and £50,000 plus 2% on profits over £50,000 |

## Selected Rates

|   | 2019/20  | 2018/19  |
|---|----------|----------|
| <b>Weekly benefit</b>                         | <b>£</b> | <b>£</b> |
| <b>Basic State Pension</b>                    | 129.20   | 125.95   |
| <b>New State Pension</b>                      | 168.60   | 164.35   |
| <b>Statutory pay standard rates</b>           |          |          |
| - average weekly earnings £118 (£116) or over |          |          |
| Sick Pay                                      | 94.25    | 92.05    |
| Maternity/Adoption Pay                        | 148.68   | 145.18   |
| Shared Parental Pay                           | 148.68   | 145.18   |
| Paternity Pay                                 | 148.68   | 145.18   |

## National Living Wage and National Minimum Wage

| Age               | NLW   | 21-24 | 18-20 | 16-17 | Apprentices |
|-------------------|-------|-------|-------|-------|-------------|
| From 1 April 2019 | £8.21 | £7.70 | £6.15 | £4.35 | £3.90       |

*Applies to apprentices under 19, or 19 and over in the first year of apprenticeship.  
NLW applies to those aged 25 and over.*

## Key Dates and Deadlines

| Payment Dates                     |            | 2019/20 | 2018/19 |
|-----------------------------------|------------|---------|---------|
| <b>Income Tax and Class 4 NIC</b> |            |         |         |
| 1st payment on account            | 31 January | 2020    | 2019    |
| 2nd payment on account            | 31 July    | 2020    | 2019    |
| Balancing payment                 | 31 January | 2021    | 2020    |
| <b>Class 2 NIC</b>                | 31 January | 2021    | 2020    |
| <b>Capital Gains Tax</b>          | 31 January | 2021    | 2020    |
| <b>Class 1A NIC</b>               | 19 July    | 2020    | 2019    |

**Corporation Tax** – 9 months and one day after the end of accounting period (quarterly instalments if large company)

### 2018/19 Returns Filing Deadlines:

- 31 May 2019 - P60s to employees
- 6 July 2019 - P11D and P11D(b) and copies to employees
- 31 October 2019 - paper Self Assessment Tax Return (SATR)
- 30 December 2019 - SATR Online where outstanding tax (subject to cap) to be included in 2020/21 PAYE code
- 31 January 2020 - SATR Online

## Corporation Tax

|                 | Rate % |                 | Rate % |
|-----------------|--------|-----------------|--------|
| Year to 31.3.20 | 19     | Year to 31.3.19 | 19     |

*Different rates apply for ring-fenced (broadly oil industry) profit.*

## Capital Allowances

**First Year Allowance (FYA)** on certain energy-efficient 100% plant, machinery and cars up to 50g/km

**Annual Investment Allowance (AIA) from 1 January 2019**  
**£1,000,000 (£200,000)**

Excludes cars and expenditure already qualifying for FYA

### Writing Down Allowance

Expenditure not qualifying for AIA or FYA:

Long-life assets, integral features of buildings, cars over 110g/km. Rates reduced from April 2019. **6% (8%)**

Other plant and machinery **18%**

**Structures and Buildings Allowance** **2%**

From 29 October 2018 straight-line basis

## Pensions

|                                 | 2019/20    | 2018/19    |
|---------------------------------|------------|------------|
| Lifetime Allowance limit        | £1,055,000 | £1,030,000 |
| Annual Allowance limit          | £40,000    | £40,000    |
| Money Purchase Annual Allowance | £4,000     | £4,000     |

## Value Added Tax

|                             | From 1.4.19 | From 1.4.18 |
|-----------------------------|-------------|-------------|
| Standard rate               | 20%         | 20%         |
| Reduced rate                | 5%          | 5%          |
| Annual Registration Limit   | £85,000     | £85,000     |
| Annual Deregistration Limit | £83,000     | £83,000     |

# Property Taxes

Across the whole of the UK, residential rates may be increased by 3% (4% in Scotland) where further residential properties are acquired.

## Stamp Duty Land Tax

Land and buildings in England and N. Ireland

| Residential Band £  | Rate % | Non-residential Band £ | Rate % |
|---------------------|--------|------------------------|--------|
| 0 - 125,000         | 0      | 0 - 150,000            | 0      |
| 125,001 - 250,000   | 2      | 150,001 - 250,000      | 2      |
| 250,001 - 925,000   | 5      | Over 250,000           | 5      |
| 925,001 - 1,500,000 | 10     |                        |        |
| Over 1,500,000      | 12     |                        |        |

*First-Time Buyer relief may apply to residential purchases up to £500,000.*

## Land and Buildings Transaction Tax

Land and buildings in Scotland

| Residential Band £ | Rate % | Non-residential Band £ | Rate % |
|--------------------|--------|------------------------|--------|
| 0 - 145,000        | 0      | 0 - 150,000            | 0      |
| 145,001 - 250,000  | 2      | 150,001 - 250,000      | 1      |
| 250,001 - 325,000  | 5      | Over 250,000           | 5      |
| 325,001 - 750,000  | 10     |                        |        |
| Over 750,000       | 12     |                        |        |

*First-Time Buyer relief may apply on the first £175,000 of residential purchases.*

## Land Transaction Tax

Land and buildings in Wales

| Residential Band £  | Rate % | Non-residential Band £ | Rate % |
|---------------------|--------|------------------------|--------|
| 0 - 180,000         | 0      | 0 - 150,000            | 0      |
| 180,001 - 250,000   | 3.5    | 150,001 - 250,000      | 1      |
| 250,001 - 400,000   | 5      | 250,001 - 1,000,000    | 5      |
| 400,001 - 750,000   | 7.5    | Over 1,000,000         | 6      |
| 750,001 - 1,500,000 | 10     |                        |        |
| Over 1,500,000      | 12     |                        |        |

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.

## About Buzzacott

People trust us because we are good at what we do, and because of how we do it.

Our specialist teams collaborate to provide the highest calibre of advice. We're big enough to have deep knowledge in a broad range of niche fields – and small enough to offer a personal approach. We've enjoyed consistent growth over the last century, and building lasting partnerships has been vital to our success.

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