

# Indirect tax

## Value added tax

	2024/25 and 2023/24	
Standard rate	20%	
Annual turnover limits	2024/25	2023/24
Registration	£90,000	£85,000
De-registration	£88,000	£83,000
Flat rate scheme entrants turnover	£150,000	£150,000

## Stamp Duty Land Tax (SDLT)

Property purchased in England and Northern Ireland

### Residential property

Band	Rate payable incremental
£0 to £250,000	0%
£250,001 to £925,000	5%
£925,001 to £1.5m	10%
Above £1.5m	12%

Purchasers of second properties are subject to a 3% surcharge over the above rates.  
Certain non UK-resident purchasers are subject to a 2% surcharge over the above rates.

### Non-residential and mixed use

Band	Rate payable incremental
£0 to £150,000	0%
£150,001 to £250,000	2%
Above £250,000	5%

### First Time Buyers

Band	Rate payable incremental
£0 to £425,000	0%
£425,001 to £625,000	5%

### Enveloped residential properties

Property purchases for more than £500,000 incur a flat rate of 15% on the whole value, unless a relief is available.
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### Leases

<b>Residential</b> - 1% on present value of rents above £250,000.
<b>Non-residential and mixed use</b> - 1% on present value of rents £150,000 to £5m, 2% above £5m.

## Stamp duty

Shares and securities	0.5%
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# Business tax

## Corporation tax

Taxable Profits	2024/25 and 2023/24
£1 to £50,000	19%
£50,001 to £250,000	26.5%
Over £250,000	25%
Marginal relief fraction: £50,001 to £250,000	3/200

## Capital allowances

Writing-down annual allowances	2024/25 and 2023/24
Main rate	18% p.a.
Special rate <sup>(1)</sup>	6% p.a.

### Annual investment allowance - unincorporated businesses

100% allowance for expenditure on plant and machinery (excluding cars) up to:	£1,000,000
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First year allowances	2024/25 and 2023/24
Electric cars and cars with zero CO <sub>2</sub> emissions, zero emission goods vehicles, equipment for electric vehicle charge points	100%

Full expensing - companies only	2024/25 and 2023/24
Main rate	100%
Special rate <sup>(1)</sup>	50%

Structures and buildings allowance	2024/25 and 2023/24
Expenditure on non-residential structures and buildings	3%

<sup>(1)</sup> Integral features, long life assets, thermal insulation of buildings, solar panels, cars with CO<sub>2</sub> emissions above 50g/km.

To see how we can help you, contact our tax team at:

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Personal tax

Income tax rates

General rate	Dividend rate	Taxable income
2024/25		
20% <sup>(1)</sup>	8.75%	£0 to £37,700
40%	33.75%	£37,701 to £125,140
45%	39.35%	Over £125,140
2023/24		
20% <sup>(1)</sup>	8.75%	£0 to £37,700
40%	33.75%	£37,701 to £125,140
45%	39.35%	Over £125,140

Certain trusts taxed at 45% (39.35% on dividend income).

Scottish taxpayers are subject to the rates and bands set by the Scottish Government.

<sup>(1)</sup> Savings income taxable at 0% to the extent that other taxable income is less than £5,000.

Allowances and reliefs

	2024/25	2023/24
Personal allowance	£12,570 <sup>(1)</sup>	£12,570 <sup>(1)</sup>
Marriage allowance	£1,260 <sup>(2)</sup>	£1,260 <sup>(2)</sup>
Dividend allowance	£500	£1,000
Personal Savings allowance:		
Basic rate taxpayers	£1,000	£1,000
Higher rate taxpayers	£500	£500
Blind person's allowance	£3,070	£2,870
Married couples allowance	£11,080 <sup>(3)</sup>	£10,375 <sup>(3)</sup>
Minimum married couples allowance	£4,280	£4,010

<sup>(1)</sup> Withdrawn at a rate of £1 allowance for £2 of income over £100,000.

<sup>(2)</sup> Spouses and civil partners not eligible for married couples allowance may transfer up to this amount between them, provided neither are liable to income tax above the basic rate.

<sup>(3)</sup> Withdrawn at a rate of £1 allowance for every £2 income over £37,000 (£34,600 in 2023/24) subject to the minimum allowance. Relief is given at 10%. One spouse must have been born before 6 April 1935.

Inheritance tax

Tax rate on death	2024/25 and 2023/24
Nil	£0 to £325,000 <sup>(1)</sup>
40% <sup>(2)</sup>	Over £325,000

<sup>(1)</sup> Additional residence nil rate band (RNRB) of £175,000 for transfers of a main residence to direct descendants. NRB and RNRB for estate of spouse are increased by unused percentage of NRB and RNRB of pre-deceased spouse. RNRB is withdrawn at the rate of £1 for every £2 estate value over £2m.

<sup>(2)</sup> Rate reduced to 36% where 10% or more of the net estate left to charity.

National insurance contributions 2024/25

Employee (primary)		Employer (secondary) <sup>(2)</sup>	
Weekly earnings	NIC rate	Weekly earnings	NIC rate
Below £242 <sup>(1)</sup>	0%	Below £175	0%
£242.01 - £967	8%	Above £175 <sup>(3)</sup>	13.8%
Above £967	2%		

Class 1A (employer) 13.8% on taxable non-cash benefits.

Class 1B (employer) 13.8% on Pay As You Earn Settlement Agreement (PSA) earnings.

Class 2 (self-employed) Voluntary contributions of £3.45pw for contributory benefits entitlement where annual profits are below £6,725.

Class 3 (voluntary) Flat rate £17.45 p.w.

Class 4 (self-employed) 6% on annual profits between £12,570 and £50,270. 2% on annual profits above £50,270.

<sup>(1)</sup> Weekly earnings of £123 or more secure entitlement to contributory benefits.

<sup>(2)</sup> Some private sector employers entitled to £5,000 annual employment allowance.

<sup>(3)</sup> No employer contribution on weekly earnings £175 - £967 for employees aged under 21 and qualifying apprentices aged under 25.

Capital gains tax

	2024/25	2023/24
Basic rate individual <sup>(1)</sup>	10% / 18%	10% / 18%
Higher rate individual <sup>(2)</sup>	20% / 24%	20% / 28%
UK trust <sup>(2)</sup>	20% / 24%	20% / 28%
Business asset disposal and investors' relief gains	10%	10%
Business asset disposal relief lifetime limit	£1m	£1m
Investors' relief lifetime limit	£10m	£10m
Individual annual exemption	£3,000	£6,000
Trust annual exemption	£1,500	£3,000

<sup>(1)</sup> Rate for gains on disposals of residential property is 18%.

<sup>(2)</sup> Rate for gains on disposals of residential property is 24%.

Pensions tax relief

	2024/25 and 2023/24
Annual Allowance <sup>(1)(4)</sup>	£60,000
High earners restricted Annual Allowance <sup>(2)(4)</sup>	£10,000
Money Purchase Annual Allowance <sup>(3)</sup>	£10,000
Lump Sum Allowance	£268,275

Contributions are limited to the higher of £3,600 and 100% of relevant UK earnings, subject to the allowance restrictions.

<sup>(1)</sup> Tax relief applies to combined total employer and employee contributions up to the Annual Allowance plus unused Annual Allowances from the three previous years.

<sup>(2)</sup> For those with total income more than £200,000 and adjusted income (broadly, income including all pension contributions) in excess of £260,000, the Annual Allowance is reduced by £1 for every £2 over £260,000, until, at £360,000 the minimum £10,000 allowance applies.

<sup>(3)</sup> A restricted Money Purchase Annual Allowance applies to those who have accessed their pension fund under the flexible access rules.

<sup>(4)</sup> For those in defined benefit schemes the allowances are measured in terms of value of pensions rather than contributions.

Individual savings account (ISA)

Annual contribution limits	2024/25 and 2023/24
Cash and Shares ISA	£20,000
Junior ISA <sup>(1)</sup>	£9,000
Lifetime ISA <sup>(2)</sup>	£4,000

<sup>(1)</sup> Under the age of 18.

<sup>(2)</sup> Aged 18-40 25% government bonus on annual savings to age 50. There is a charge on withdrawals before age 60 unless used to purchase first home. Contributions count for £20,000 limit on cash and shares ISA.

Tax efficient savings and investments

Maximum annual investment	2024/25 and 2023/24
Seed Enterprise Investment Scheme (SEIS)	£200,000 <sup>(1) (5) (6)</sup>
Venture Capital Trusts (VCTs)	£200,000 <sup>(2) (7)</sup>
Enterprise Investment Scheme (EIS)	£1m <sup>(2) (3) (4) (6)</sup>
Social Investment Tax Relief (SITR)	£1m <sup>(2) (8)</sup>

<sup>(1)</sup> Income tax relief at 50%.

<sup>(2)</sup> Income tax relief at 30%.

<sup>(3)</sup> Up to £2m for 'knowledge-intensive' companies.

<sup>(4)</sup> Capital Gains Tax deferral on gains reinvested in EIS qualifying investments.

<sup>(5)</sup> Capital Gains Tax exemption on 50% of gains reinvested in SEIS qualifying investments.

<sup>(6)</sup> Gains free of Capital Gains Tax provided held for at least 3 years.

<sup>(7)</sup> Gains free of Capital Gains Tax.

Car benefits 2024/25

Car benefit: Percentage (below) of list price		Fuel benefit: Percentage (below) of £27,800 <sup>(1)</sup>
CO2 emissions (g/km)	Electric Range (miles)	
0		2%
1 - 50	> 130	2%
1 - 50	70 - 129	5%
1 - 50	40 - 69	8%
1 - 50	30 - 39	12%
1 - 50	< 30	14%
51 - 54		15%
Tax charge increase by 1% per each additional 5g/km until:		
160 or more		37%

<sup>(1)</sup> Diesel cars that do not meet the Real Driving Emissions Step 2 (RDE 2) standard are subject to a diesel supplement of 4% (up to a maximum of 37%).

Van benefits	2024/25 and 2023/24
Company van benefit	£3,960
Van fuel benefit	£757
Approved mileage rates rate per mile (employee's own vehicle)	
Car or van: First 10,000 miles	45p
Car or van: Over 10,000 miles	25p
Motorcycle	24p
Bicycles	20p
Additional passenger payment	5p

Employers' payments for business use are free of tax and NIC if they do not exceed the above rates.