

2022/23 UK tax rates and allowances

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2021/22

2022/23

Income Tax (excluding savings and dividend income)		
20%	£0 – £37,700	£0 – £37,700
40%	£37,701 – £150,000	£37,701 – £150,000
45%	Over £150,000	Over £150,000
<i>These rates in Scotland and Wales have been devolved.</i>		
Savings income allowance		
Basic rate	£1,000	£1,000
Higher rate	£500	£500
Additional rate	£0	£0
<i>A starting rate of 0% may be available unless taxable non-savings income exceeds £5,000.</i>		
Dividend income		
Allowance	£2,000	£2,000
Ordinary rate	7.5%	8.75%
Upper rate	32.5%	33.75%
Additional rate	38.1%	39.35%

Devolved Income Tax		
Scotland		
19%	£0 – £2,097	£0 – £2,162
20%	£2,098 – £12,726	£2,163 – £13,118
21%	£12,727 – £31,092	£13,119 – £31,092
41%	£31,093 – £150,000	£31,093 – £150,000
46%	Over £150,000	Over £150,000
Wales		
20%	£0 – £37,500	£0 – £37,700
40%	£37,501 – £150,000	£37,701 – £150,000
45%	Over £150,000	Over £150,000

2021/22

2022/23

Income Tax Reliefs		
Personal allowance	£12,570	£12,570
Personal allowance income limit	£100,000	£100,000
Marriage allowance	£1,260	£1,260
Married couple's allowance	£9,125	£9,415
– Minimum amount	£3,530	£3,640
– Income limit	£30,400	£31,400
Blind person's allowance	£2,520	£2,600
Individual Savings Accounts limits		
Overall investment	£20,000	£20,000
Junior account investment	£9,000	£9,000
Lifetime investment	£4,000	£4,000

Selected Rates

Weekly benefit		
Basic State Pension	£137.60	£141.85
New State Pension	£179.60	£185.15
Statutory pay standard rates (average weekly earnings £123 or over)		
– Sick Pay	£96.35	£99.35
– Maternity/Parternity/Adoption/Shared Parental Pay	£151.97	£156.66
National Living Wage and National Minimum Wage		
NLW	21–22	18–20
	16–17	Apprentices
£9.50	£9.18	£6.83
	£4.81	£4.81
<i>NMW applies to apprentices under 19, or 19 and over in their first year. NLW applies to those aged 23 and over.</i>		

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Pensions		
Lifetime allowance limit	£1,073,100	£1,073,100
Annual allowance limit	£40,000	£40,000
Money Purchase annual allowance	£4,000	£4,000
Value Added Tax		
	From 1 April 2021	From 1 April 2022
Standard rate	20%	20%
Reduced rate	5%	5%
Annual Registration limit	£85,000	£85,000
Annual Deregistration limit	£83,000	£83,000
Temporary reduced rate for hospitality and tourism	5% / 12.5%	20%
<i>The 5% rate applies to 30 September 2021 and the 12.5% rate applies from 1 October 2021 to 31 March 2022.</i>		
Capital Gains Tax		
Individuals		
Exemption	£12,300	£12,300
Standard rate	10%	10%
Higher/additional rate	20%	20%
Trusts		
Exemption	£6,150	£6,150
Rate	20%	20%
<i>Higher rates (18% and 28%) may apply to the disposal of certain residential property and carried interest.</i>		
Business Asset Disposal Relief – the first £1million of qualifying gains are charged at 10%.		
Investors' Relief – the first £10million of qualifying gains are charged at 10%.		

Property Taxes

Stamp Duty Land Tax (England & Northern Ireland)

Resident	Non-resident	
£0 – £125,000	£0 – £150,000	0%
£125,001 – £250,000	£150,001 – £250,000	2%
£250,001 – £925,000	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.

Rates are increased by 3% for additional purchases of residential property by individuals. Since 1 April 2021, different rates of Stamp Duty Land Tax apply to purchasers of residential property who are not resident in the UK. Rates are increased by a further 2% for purchases by non-UK residents.

Different rates apply for Scotland and Wales.

Capital Allowances

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

Annual Investment Allowance (AIA) – excludes cars and expenditure already qualifying for FYA £1,000,000

Writing Down Allowance (expenditure not qualifying for AIA or FYA)

– Long-life assets, integral features of buildings, or cars over 110g/km 6%

– Other plant and machinery 18%

The above represents the main allowances, however there are a number of other allowances available to claim.

National Insurance – Class 1 (employed) rates

Employee earnings per week

Up to £190	Nil
£190.01 – £967	13.25%
Over £967	3.25%

Employer earnings per week

Up to £175	Nil
Over £175	15.05%

Entitlement to contribution-based benefits for employees retained for earnings between £123 and £190 per week. The employer rate is 0% for employees under 21 and apprentices under 25 on earnings up to £967 per week.

Class 1A (employers) 15.05% on employee taxable benefits

Class 1B (employers) 15.05% on PAYE Settlement Agreements

Class 2 (self-employed) flat rate per week £3.15, small profits threshold £6,725 per annum

Class 3 (voluntary) flat rate per week £15.85

Class 4 (self-employed) 10.25% on profits £9,880 – £50,270 plus 3.25% on profits over £50,270

Corporation Tax

Year to 31 March 2022	19%
Year to 31 March 2023	19%

Different rates apply for ring-fenced profit.

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Inheritance Tax

Death Lifetime Chargeable transfers

Nil	Nil	£0 – £325,000 (nil rate band)
40%	20%	Over £325,000

A further nil rate band of £175,000 may be available in relation to current or former residences.

Car, van and fuel benefits (% of list price taxed)

CO2 emissions g/km	Cars registered before 6 April 2020	Cars registered after 5 April 2020
0	2%	2%
1 – 50		
Electric range – 130 or more	2%	2%
– 70 – 129	5%	5%
– 40 – 69	8%	8%
– 30 – 39	12%	12%
– Under 30	14%	14%
51 – 54	15%	15%
For every extra 5	+1%	+1%
160 and above	37%	37%
170 and above	n/a	37%

For fully 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%. For emissions of 75g/km or more, if the CO2 figure does not end in a 5 or 0, round down to the nearest 5 or 0.

Car fuel benefit	£25,300
Van benefit	£3,600
Van fuel benefit	£688

Key dates and deadlines

2021/22 payment dates

Income Tax and Class 4 NIC	
– 1st payment on account	31 January 2022
– 2nd payment on account	31 July 2022
– balancing payment	31 January 2023
Class 2 NIC	
Capital Gains Tax	
Class 1A NIC	19 July 2023

2022/23 payment dates

Income Tax and Class 4 NIC	
– 1st payment on account	31 January 2023
– 2nd payment on account	31 July 2023
– balancing payment	31 January 2024
Class 2 NIC	
Capital Gains Tax	
Class 1A NIC	19 July 2024

Corporation Tax – Nine months and one day after the end of the accounting period (quarterly instalments for large companies).

2022/23 returns filing deadlines

P60s to employees	31 May 2023
P11D and P11D(b) and copies to employees	6 July 2023
Paper Self Assessment Tax Return (SATR)	31 October 2023
SATR Online where outstanding tax (subject to cap) is to be included in 2021/22 PAYE code	30 December 2023
SATR Online	31 January 2024