



**TAX RATES 2019/20**

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## 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  |

## CAR, VAN AND FUEL BENEFITS

| Company cars 2019/20           |                                      | <i>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/>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.</i> |
|--------------------------------|--------------------------------------|---|
| 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 |

## STAMP DUTY LAND TAX

### Land and buildings in England and N. Ireland

Residential rates may be increased by 3% where further residential properties are acquired.

| Residential<br>£    | Rate<br>% | Non-residential<br>£ | Rate<br>% |
|---------------------|-----------|----------------------|-----------|
| 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.*

## 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.*

## 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 plant, machinery and cars up to 50g/km **100%**

**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     |

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.

## 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.*

## TAX RELIEFS FOR INDIVIDUALS

### 2019/20 and 2018/19

#### Enterprise Investment Scheme (EIS)

Relief on investments in certain unquoted trading companies up to £1m per annum (£2m for knowledge intensive companies):

- Income tax relief at 30%
- Capital gains exemption on disposal

Unlimited amounts of capital gains from the disposal of other assets may be able to be deferred by making an EIS investment.

#### Seed Enterprise Investment Scheme (SEIS)

Relief on investments in certain unquoted trading companies up to £100,000 per annum:

- Income tax relief at 50%
- Capital gains exemption on disposal

Capital gains from the disposal of other assets may be exempt up to £50,000 per annum by making an SEIS investment.

#### Venture Capital Trusts (VCTs)

Relief on investments in certain quoted companies up to £200,000 per annum:

- Income tax relief at 30%
- Capital gains exemption on disposal

Dividends received from VCTs may be exempt from income tax.

All reliefs subject to detailed conditions being met.