

# Tax

A pocket guide 2026/27

Income Tax			
Main personal allowances and rel	Main personal allowances and reliefs		
Personal allowance*	Personal allowance*		
Marriage/civil partners' transferab	ole allowance	£1,260	£1,260
Married couple's/civil partners' all	owance		
at 10% <sup>†</sup> (if at least one born before	6/4/35)		
maximum	maximum		
minimum		TBA	£4,360
Blind person's allowance		TBA	£3,130
Rent-a-room relief		£7,500	£7,500
Property allowance and trading al	. ,	£1,000	£1,000
*Personal allowance reduced by £1 for e	every £2 of adjuste	d net incom	e over
£100,000		(	
†Reduced by £1 for every £2 of adjusted 2025/26), until the minimum is reached.	net income over i	BA (£3/,/00	) for
			0.5 (0.4
UK taxpayers excluding Scottish t		26/27	25/26
non-dividend, non-savings income			
20% basic rate on taxable income up to		£37,700	£37,700
40% higher rate on next slice of income over		£37,700	£37,700
45% additional rate on income ov	er	£125,140	£125,140
Scottish taxpayers –		26/27	25/26
non-dividend, non-savings incon 19% starter rate on taxable income		TBA	00.007
20% basic rate on taxable income	e up to	TBA	£2,827 £14,921
		TBA	,
21% intermediate rate on next slice up to		TBA	£31,092 £62,430
•	42% higher rate on next slice up to		£125,140
45% advanced rate on next slice up to 48% top rate on income over		TBA TBA	£125,140
The Scottish Budget will be published or	n 13 January 2026	IDA	1123,140
- ·	11 10 3011001 y 2020	26/27	25/26
All UK taxpayers Starting rate at 0% on band of savings		20/2/	25/20
income up to**	iligs	£5,000	£5,000
Personal savings allowance at 0%: Basic rate		£1,000	£1,000
reisonal savings allowance at 0 /	Higher rate	£500	£500
	Additional rate		£0
Dividend allowance at 0%:	All individuals	£500	£500
Tax rates on dividend income:	Basic rate	10.75%	8.75%
lax rates on dividend income.	Higher rate	35.75%	33.75%
	Additional rate		39.35%
Trusts: Income exemption generally		£500	£500
Rate applicable to trusts: Dividends		39.35%	39.35%
Nate applicable to trasts.	Other income	45%	45%
**Not available if taxable non-savings i			
High Income Child Benefit Charge: 1% of benefit per £200 of adjusted			
net income between £60,000 and		JG: 1200 0	i dajusted
The through bethach 200,000 and 200,000			

State Pensions		
	Annual	Weekly
New state pension	TBA	TBA
Basic state pension - single person*	TBA	TBA
Basic state pension - spouse/civil partner* *State pension age reached before 6/4/16	TBA	TBA
Registered Pensions		
	26/27	25/26
Lump sum and death benefit allowance	£1,073,100	£1,073,100
Lump sum allowance	£268,275	£268,275
Money purchase annual allowance	£10,000	£10,000
Annual allowance*	£60,000	£60,000
Annual allowance charge on excess is at appearnings	olicable tax r	ate(s) on
*Reduced by £1 for every £2 of adjusted income ove £10,000, subject to threshold income being over £20		a minimum o
Tax Incentivised Investments		
Total Individual Savings Account (ISA)	26/27	25/26
limit, excluding Junior ISAs (JISAs)	£20,000	£20,000
Lifetime ISA	£4,000	£4,000
JISA/Child Trust Fund	£9,000	£9,000
Venture Capital Trust (VCT) up to £200,000	20%	30%
Enterprise Investment Scheme (EIS) at 30%*	£2,000,000	£2,000,000
EIS eligible for CGT deferral relief	No limit	No limi
Seed EIS (SEIS) at 50%	£200,000	£200,000
SEIS CGT reinvestment relief	50%	50%
*Above £1,000,000 investment must be in knowledg	e-intensive co	mpanies
Capital Gains Tax		
	26/27	25/26
Annual exemption: Individuals, estates, etc	£3,000	£3,000
Trusts generally	£1,500	£1,500
Below UK higher rate band Tax rate	18%	18%
Within UK higher and additional rate bands		
Tax rate	24%	24%
Carried interest (all tax bands) Tax rate	N/A	32%
Trusts and estates Tax rate	24%	24%
Business Asset Disposal Relief		

18% (14% 25/26) on lifetime limit of £1,000,000 for trading businesses and companies (minimum 5% participation) held for at least 2 years

National insurance Contributions		
Class 1	Employee	Employer
NICs rate	8%	15%
No NICs for employees generally on the first	£242 pw	£96 pw
No NICs for younger employees* on the first	£242 pw	£967 pw
NICs rate charged up to	£967 pw	No limit
2% NICs on earnings over	£967 pw	N/A
*No employer NICs on the first £967 pw for employee	es generally ur	ider 21
years, apprentices under 25 years and veterans in fi	rst 12 months o	f civilian
employment. No employer NICs on the first £481 pw		at freeports
and investment zones in the first 36 months of emplo	pyment	
Employment allowance		£10,500
Per business - not available if sole employee is	a director	
Class 1A Employer		
On most employees' and directors' taxable be	nefits	15%
Class 2 Self-employed Flat rate per week (volume	ntary) £3.65	(£189.80 pa)
Small profits threshold		£7,105
Class 4 Self-employed On annual profits of ${\mathfrak L}$	12,570 to £50	,270: 6%
	Over £50	,270: 2%
Class 3 Voluntary flat rate per week	£18.40 (£	2956.80 pa)
Car Benefits		
Taxable amount based on original list price and	d CO <sub>2</sub> emissio	ons in g/km.
Zero emission cars 4%		
Petrol and diesel hybrids with CO <sub>2</sub> emissions 1	1-50g/km	
Range - electric-only miles < 30 30-39 4	0-69 70-	129 130+
16% 14%	10%	7% 4%
All non-diesel cars over 50g/km CO <sub>2</sub> 5	51-54	55 & over
2	17%	18%*-37%
*Increased by 1% increments up to the maximum 37	%	
Diesels not meeting RDE2: add 4% to non-die	esel rates, up	to 37%
Fuel benefit – taxable amount for private use	26/27	25/26
CO <sub>2</sub> % charge used for car benefit multiplied I		£28,200
Vans – For Private Use		
	26/27	25/26
Zero emission: chargeable amount	Nil	Nil
Other vans: chargeable amount	TBA	£4,020
Fuel: chargeable amount	TBA	£769

National Insurance Contributions

## Tax-Free Business Milegae Allowance - Own Vehicle

Cars and vans first 10 000 miles 45p per mile then 25p per mile Qualifying passenger 5p per mile

Motorcycles 24p per mile Bicycles 20p per mile

### Corporation Tax

LTT rates

Year to 31/3/27 and 31/3/26 Profits Effective rate Diverted profits

£0\_£50.000 19.0% £50.001-£250.000 26 5% £250.001 and above 25.0%

31%

Loans to participators 33.75%

# Stamp Duties And Property Transaction Taxes

Stamp Duty and SDRT\*: Stocks and marketable securities 0.5%

\*0% SDRT for transfers of newly UK listed securities from 27 November 2025

Additional residential and all corporate residential properties £40,000 or more - add 5% to SDLT rates, 8% to LBTT and 5% to most

England & N Ireland - Stamp Duty Land Tax (SDLT) on slices of value Commercial property<sup>†</sup> Residential property % % Up to £125.000 Up to £150.000 £125.001-£250.000 2 £150.001-£250.000 2 £250.001-£925.000 5 Over £250,000 5 £925.001-£1.500.000

Over £1.500.000 First time buyers: 0% on first £300,000 for properties up to £500,000 Non-resident purchasers: 2% surcharge on properties £40,000 or more

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Residential properties bought by companies etc over £500,000: 17% of total consideration, subject to certain exemptions

# Scotland - Land and Buildings Transaction Tax (LBTT) on slices

of value Residential property % Commercial property<sup>†</sup> % Up to £145.000 Ω Up to £150.000 £145,001-£250,000 £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 buvers: 0% on the first £175.000

### Wales - Land Transaction Tax (LTT) on slices of value

Residential property	%	Commercial property <sup>†</sup>	%
Up to £225,000	0	Up to £225,000	0
£225,001-£400,000	6	£225,001-£250,000	1
£400,001-£750,000	7.5	£250,001-£1,000,000	5
£750,001-£1,500,000	10	Over £1,000,000	6
Over £1,500,000	12		

†0% for freeport and investment zone qualifying property

### Inheritance Tax

### 26/27 and 25/26

3%

£325.000/£175.000

Nil-rate band\*/residence nil-rate band\*† Rate of tax on excess/if at least 10% net estate left to charity

Lifetime transfers to and from certain trusts

40%/36% 20%

Non-long-term resident spouse/civil partner exemption £325.000 \*Up to 100% of the unused proportion can be claimed on the surviving spouse's/civil partner's death

†Estates over £2,000,000; reduced by 50% of the excess over £2,000,000

# Reliefs Businesses, unlisted shares, some farms AIM Certain other

		shares	assets	
26/27	100% up to a maximum of £1,000,000,			
	with 50% thereafter*	50%	50%	
25/26	100%	100%	50%	

\*Transferable between spouses and civil partners

Annual exempt gifts of: £3,000 per donor £250 per donee Tapered tax charge on lifetime gifts between 3 and 7 years of death

Years 0-3 full 40% rate, then 8% less for each year until 0% at 7 or more years.

### Main Capital And Other Allowances

Plant & machinery (P&M) 100% annual investment allowance

(1st vear) P&M allowance for companies (1st year)\* 100% Special rate P&M allowance for companies (1st year)\* 50% P&M allowance for unincorporated businesses (1st year) 40%

from 1 January 2026\* P&M\*\*

14% Patent rights and know-how\*\* 25% Special rate P&M e.g. long-life assets and integral features of buildings\*\* 6%

# Motor cars

CO<sub>2</sub> emissions of g/km 1-50 Over 50 Capital allowance 100% first year 18% pa\*\* 6% pa\*\* \*New and unused only \*\*Annual reducing balance

†10% for freeports and investment zones

Structures and buildings (straight line)†

# Research and Development (R&D)

Capital expenditure 100% R&D merged scheme 20% R&D intensive SME payable credit 14.5% R&D intensive SME intensity ratio 30%

# Value Added Tax

Standard rate 20% Domestic fuel 5% Installation of energy saving materials (except Northern Ireland) Reaistration level £90,000 Deregistration £88,000 Flat rate scheme turnover limit £150,000 Cash and annual accounting schemes turnover limit £1.350.000

# Main Due Dates For Tax Payments

### Income tax, NICs and capital gains tax - Self assessment

31 Jan in tax year

Normally 50% of previous year's income tax

Following 31 July

Normally 50% of previous year's income tax

(less tax deducted at source) and class 4 NICs

Following 31 Jan

Balance of income tax, class 4 NICs
and CGT, plus class 2 NICs paid voluntarily

# Inheritance tax

On death: Normally 6 months after end of month of death
Lifetime transfer 6 April-30 September: 30 April in following year
Lifetime transfer 1 October-5 April: 6 months after end of month

## Capital gains tax - residential UK property

Report and pay within 60 days of completion of conveyance of the property

## Corporation tax - Self assessment

- Profits under £1,500,000: 9 months + 1 day after end of accounting period
- Profits £1,500,000-£20,000,000: normally payable in 7th, 10th, 13th and 16th months after start of the accounting period
- Profits over £20,000,000: normally payable in 3rd, 6th, 9th and 12th months after start of the accounting period
- Growing companies: no instalments where profits are £10,000,000 or less and the company was not a large company for the previous year.

### Social Security Benefits

Weekly rates for 2026/27

### Statutory Pay Rates

Based on minimum average earnings of at least TBA pw:

Statutory Sick Pay
Statutory Maternity Pay/Statutory Adoption Pay

tatutory Adoption Pay First 6 weeks – 90% of average weekly pay

TBA standard rate

TBA

Next 33 weeks – 90% of average weekly pay up to TBA

Statutory Paternity Pay 90% of average weekly pay up to TBA

Shared Parental Pav

Up to 37 weeks: 90% of average weekly pay up to TBA

Child Benefit (see 'Income Tax - High Income Child Benefit Charge')
First or only child TBA Each subsequent child TBA

### Scottish Child Payment

For certain benefit claimants, per child under 16
National Living Wage (NLW)/National Minimum Wage (NMW)

 Year to 31/3/27
 NLW
 NMW
 NMW

 Aged
 21 and over
 18-20
 Under 18/apprentice

 £/hour
 £12.71
 £10.85
 £8.00

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