



Downton and  
Ali Associates

# Tax Tables 2021



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**Openwork**  
PARTNERSHIP

## INCOME TAX

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<b>Main personal allowances and reliefs</b>	<b>21/22</b>	<b>20/21</b>
Personal allowance*	£12,570	£12,500
Marriage/civil partner's transferable allowance	£1,260	£1,250
Married couple's/civil partner's allowance at 10% <sup>†</sup> (if at least one born before 6/4/35) – maximum	£9,125	£9,075
– minimum	£3,530	£3,510
Blind person's allowance	£2,520	£2,500
Rent-a-room relief	£7,500	£7,500
Property allowance and trading allowance (each)	£1,000	£1,000

\*Personal allowance reduced by £1 for every £2 of adjusted net income over £100,000

†Married couple's/civil partner's allowance reduced by £1 for every £2 of adjusted net income over £30,400 (£30,200 for 20/21), until minimum reached

<b>UK taxpayers excluding Scottish taxpayers'</b> <b>non-dividend, non-savings income</b>	<b>21/22</b>	<b>20/21</b>
20% basic rate on first slice of taxable income up to	£37,700	£37,500
40% higher rate on next slice of taxable income over	£37,700	£37,500
45% additional rate on taxable income over	£150,000	£150,000

### **Scottish taxpayers – non-dividend, non-savings income**

19% starter rate on taxable income up to	£2,097	£2,085
20% basic rate on next slice up to	£12,726	£12,658
21% intermediate rate on next slice up to	£31,092	£30,930
41% higher rate on next slice up to	£150,000	£150,000
46% top rate on income over	£150,000	£150,000

### **All UK taxpayers**

Starting rate at 0% on band of savings income up to**	£5,000	£5,000	
Personal savings allowance at 0%:			
Basic rate	£1,000	£1,000	
Higher rate	£500	£500	
Additional rate	£0	£0	
Dividend allowance at 0%:	All individuals	£2,000	£2,000
Tax rates on dividend income:			
Basic rate	7.5%	7.5%	
Higher rate	32.5%	32.5%	
Additional rate	38.1%	38.1%	
Trusts: Standard rate band generally	£1,000	£1,000	
Rate applicable to trusts:			
Dividends	38.1%	38.1%	
Other income	45%	45%	

\*\*Not available if taxable non-savings income exceeds the starting rate band

**High Income Child Benefit Charge**, 1% of benefit per £100 of adjusted net income between £50,000 – £60,000

## REGISTERED PENSIONS

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	<b>21/22</b>	<b>20/21</b>
Lifetime allowance	£1,073,100	£1,073,100
Money purchase annual allowance	£4,000	£4,000
Annual allowance*	£40,000	£40,000
Annual allowance charge on excess is at applicable tax rate(s) on earnings		
Lifetime allowance charge if excess is drawn as cash 55%; as income 25%		
Pension commencement lump sum up to 25% of pension benefit value		

\*Reduced by £1 for every £2 of adjusted income over £240,000 to a minimum of £4,000, subject to threshold income being over £200,000

## STATE PENSIONS

	<b>Annual</b>	<b>Weekly</b>
New state pension – where state pension age reached after 5/4/16	£9,339.20	£179.60
Basic state pension – single person*	£7,155.20	£137.60
Basic state pension – spouse/civil partner*	£4,287.40	£82.45

\* State pension age reached before 6/4/16

## TAX INCENTIVISED INVESTMENT

<b>Total Individual Savings Account (ISA) limit excluding Junior ISAs (JISAs)</b>	<b>21/22</b>	<b>20/21</b>
Lifetime ISA	£20,000	£20,000
JISA and Child Trust Fund	£4,000	£4,000
<b>Venture Capital Trust (VCT) at 30%</b>	£9,000	£9,000
<b>Enterprise Investment Scheme (EIS) at 30%*</b>	£200,000	£200,000
EIS eligible for CGT deferral relief	£2,000,000	£2,000,000
<b>Seed EIS (SEIS) at 50%</b>	No limit	No limit
SEIS CGT reinvestment relief	£100,000	£100,000
	50%	50%

\* Above £1,000,000 investment must be in knowledge-intensive companies

## NATIONAL INSURANCE CONTRIBUTIONS

<b>Class 1</b>	<b>Employee</b>	<b>Employer</b>
NICs rate	12%	13.8%
No NICs for employees generally on the first	£184 pw	£170 pw
No NICs for younger/veteran employees* on the first	£184 pw	£967 pw
NICs rate charged up to	£967 pw	No limit
2% NICs on earnings over	£967 pw	N/A

### Employment Allowance

Per business – not available if sole employee is a director or employer's NICs for 20/21 £100,000 or more

<b>Limits and Thresholds</b>	<b>Weekly</b>	<b>Monthly</b>	<b>Annual</b>
Lower earnings limit	£120	£520	£6,240
Primary threshold	£184	£797	£9,568
Secondary threshold	£170	£737	£8,840
Upper earnings limit (and upper secondary thresholds*)	£967	£4,189	£50,270

\* Employees generally under 21 years and apprentices under 25 years. Veterans in first 12 months of civilian employment from April 2021.

**Class 1A Employer** On car and fuel benefits and most other taxable benefits provided to employees and directors 13.8%

**Class 2 Self-employed** Flat rate per week £3.05 (£158.60 pa)

### Small profits threshold

No compulsory NICs if annual profits less than £6,515

**Class 4 Self-employed** On annual profits of £9,568 to £50,270: 9%  
Over £50,270: 2%

**Class 3** Voluntary flat rate per week £15.40 (£800.80 pa)

## CAPITAL GAINS TAX

<b>Tax Rates – Individuals</b>	<b>21/22</b>	<b>20/21</b>
Below UK higher rate income tax band	10%	10%
Within UK higher and additional rate income tax bands	20%	20%
<b>Tax Rate – Trusts and Estates</b>	20%	20%
<b>Surcharge</b> for residential property and carried interest	8%	8%

### Exemptions

Annual exempt amount: Individuals, estates, etc £12,300 £12,300  
Trusts generally £6,150 £6,150

**Chattels** gain limited to 5/3rds of proceeds exceeding £6,000 £6,000

### Business Asset Disposal Relief

10% on lifetime limit of £1,000,000

For trading businesses and companies (minimum 5% participation) held for at least 2 years

## INHERITANCE TAX

	21/22	20/21
Nil-rate band*	£325,000	£325,000
Residence nil-rate band**†	£175,000	£175,000
Rate of tax on excess	40%	40%
Rate if at least 10% of net estate left to charity	36%	36%
Lifetime transfers to and from certain trusts	20%	20%
Overseas domiciled spouse/civil partner exemption	£325,000	£325,000
100% relief: businesses, unlisted/AIM companies, certain farmland/buildings		
50% relief: certain other business assets e.g. farmland let before 1/9/95		
Annual exempt gifts of:	£3,000 per donor	£250 per donee

### Tapered tax charge on lifetime gifts within 7 years of death

Years between gift and death	0-3	3-4	4-5	5-6	6-7
% of death tax charge	100	80	60	40	20

\* Up to 100% of the unused proportion of a deceased spouse's/civil partner's nil-rate band and/or residence nil-rate band can be claimed on the survivor's death

† Estates over £2,000,000: the value of the residence nil-rate band is reduced by 50% of the excess over £2,000,000

## STAMP DUTIES AND PROPERTY TRANSACTION TAXES

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

### Additional residential and all corporate residential properties

£40,000 or more – add 3% to SDLT rates and 4% to LBTT and LTT rates

### England & N Ireland – Stamp Duty Land Tax (SDLT) on slices of value

Residential property	%	Commercial property	%
Up to £125,000*	0	Up to £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		

\*0% on slice up to £500,000 (8/7/20–30/6/21) and £250,000 (1/7/21–30/9/21)

**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

**Residential properties** bought by companies etc over £500,000: 15% of total consideration, subject to certain exemptions

### Scotland – Land and Buildings Transaction Tax (LBTT) on slices of value

Residential property	%	Commercial property	%
Up to £145,000*	0	Up to £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		

\*Any changes to 0% to be confirmed

**First time buyers:** 0% on the first £175,000

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

Residential property	%	Commercial property	%
Up to £180,000*	0	Up to £225,000	0
£180,001–£250,000	3.5	£225,001–£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		

\*Any changes to 0% to be confirmed

## CORPORATION TAX

	Profits	Diverted profits	Loans to participators
Years to 31/3/22 and 31/3/21	19%	25%	32.5%

## VALUE ADDED TAX

Standard rate	20%	Domestic fuel	5%
Reduced rate on hospitality, holiday accommodation and attractions:			
15/7/20 – 30/9/21:	5%	1/10/21 – 31/3/22:	12½%
Since 1/4/17: Registration level	£85,000	Deregistration	£83,000
Flat rate scheme turnover limit			£150,000
Cash and annual accounting schemes turnover limit			£1,350,000

## CAR BENEFITS

Taxable amount based on original list price and CO<sub>2</sub> emissions in g/km.

**Zero emission cars** 1%

**Petrol and diesel hybrids** with CO<sub>2</sub> emissions 1–50g/km

Range – electric-only miles	< 30	30–39	40–69	70–129	130+
Registered pre-6/4/20 (NEDC)	14%	12%	8%	5%	2%
Registered post-5/4/20 (WLTP)	13%	11%	7%	4%	1%

**All non-diesel cars over 50g/km CO<sub>2</sub>**

	51–54	55 & over
Registered pre-6/4/20 (NEDC)	15%	16%*–37%
Registered post-5/4/20 (WLTP)	14%	15%*–37%

\*Increased for every: extra 5g/km by 1% up to the maximum 37%

**Diesels** not meeting RDE2 standards: add 4%, up to 37% maximum

Fuel Benefit – taxable amount for private use	21/22	20/21
CO <sub>2</sub> % charge used for car benefit multiplied by	£24,600	£24,500

## VANS – FOR PRIVATE USE

	21/22	20/21
Zero emission: chargeable amount	Nil	£2,792
Other vans: chargeable amount	£3,500	£3,490
Fuel: chargeable amount	£669	£666

## TAX-FREE BUSINESS MILEAGE 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

## MAIN CAPITAL AND OTHER ALLOWANCES

Plant and machinery (P&M) 100% annual investment allowance	
(1st year): 1/1/19 – 31/12/21	£1,000,000
From 1/1/22	£200,000
P&M super-deduction first year allowance (FYA) for companies	
from 1/4/21	130%
Special rate P&M FYA for companies from 1/4/21	50%
Plant and machinery*	18%
Patent rights and know-how*	25%
Certain long-life assets and integral features of buildings*	6%
Structures and buildings (straight line)	3%
Electric charge points	100%

### Motor Cars

CO <sub>2</sub> emissions of g/km:	0 <sup>†</sup>	1–50	Over 50
Capital allowance:	100% first year	18% pa*	6% pa*

\*Annual reducing balance

†New cars only

### Research and Development

Capital expenditure	100%
Revenue expenditure relief – small/medium-sized companies	230%
Research and development expenditure credit – large companies	13%

## SOCIAL SECURITY BENEFITS

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*Weekly rates and taxable unless stated otherwise.*

### **Employment and Support Allowance (contribution-based taxable)**

#### **13-week assessment phase**

Aged under 25: up to £59.20      Aged 25 or over: up to £74.70

#### **From week 14 after Work Capability Assessment if eligible**

In Work Related Activity Group up to £104.40

In Support Group up to £114.10

### **Bereavement Support Payments (non-taxable) – initial and for 18 months**

Higher rate: \* £3,500 lump sum      £350 monthly

Standard rate: £2,500 lump sum      £100 monthly

*\*If entitled to or claiming Child Benefit or pregnant at partner's death*

### **Statutory Pay Rates**

Based on minimum average earnings of at least £120pw:

**Statutory Sick Pay**      £96.35 standard rate

#### **Statutory Maternity Pay/Statutory Adoption Pay**

First 6 weeks – 90% of average weekly pay

Next 33 weeks – 90% of average weekly pay up to £151.97

**Statutory Paternity Pay**      90% of average weekly pay up to £151.97

#### **Shared Parental Pay**

Up to 37 weeks: 90% of average weekly pay up to £151.97

### **Child Benefit (see 'Income Tax – High Income Child Benefit Charge')**

First or only child      £21.15      Each subsequent child      £14.00

### **National Living/National Minimum Wage (hourly) 1/4/21 – 31/3/22**

Aged 23 and over      National Living Wage      £8.91

Aged 21–22      National Minimum Wage      £8.36

Aged 18–20      National Minimum Wage      £6.56

Aged under 18      National Minimum Wage      £4.62

Apprentice      National Minimum Wage      £4.30

## MAIN DUE DATES FOR TAX PAYMENTS

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### **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 } (less tax deducted at source) and class 4 NICs

Following 31 Jan      Balance of income tax and class 4 NICs,  
class 2 NICs and balance of CGT

### **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 month of transfer

### **Corporation Tax – Self Assessment**

- Profits under £1,500,000: 9 months + 1 day after end of accounting period
- Profits £1,500,000 or over: normally payable in 7th, 10th, 13th and 16th months after start of the accounting period
- Profits £20,000,000 or over: 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.

## 2021/22 TAX CALENDAR

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*Make payment on previous working day where due date falls on a weekend/bank holiday.*

### Every month

**19** Submit CIS contractors' monthly return.

**22** PAYE/NICs/CIS deductions paid electronically for period ending 5th of the month (19th if not paying electronically).

### Month end

Submit CT600 for year ending 12 months previously.

Last day to amend CT600 for year ending 24 months previously.

### April 2021

**1** Pay any outstanding tax for 2019/20 or make a Time to Pay arrangement, to avoid a late payment penalty

### July 2021

**1** SDLT 0% band reduces from £500,000 to £250,000.

**5** Last date to agree a new PAYE Settlement Agreement (PSA) for 2020/21.

**6** Deadline for employers to return forms P11D (expenses) and P11D (b) (benefits) for 2020/21 to HMRC and provide copies to employees.

**22** Pay class 1A NICs (19 July if not paying electronically).

**31** Confirm tax credit claims for 2020/21 and renewal for 2021/22.

Second payment on account for 2020/21 income tax and class 4 NICs.

### August 2021

**1** Penalty of 5% of the tax due or £300, whichever is the greater, where the 2019/20 tax return has not been filed.

### October 2021

**1** SDLT 0% band reduces from £250,000 to £125,000.

VAT rate on hospitality, holiday accommodation and attractions increases from 5% to 12½%.

**5** Deadline to register for self-assessment for 2020/21.

**22** Pay tax and class 1B NICs on PSAs (19th if not paying electronically).

**31** Deadline for 2020/21 tax return if filed on paper.

### December 2021

**30** Deadline to submit 2020/21 tax return online to have underpaid PAYE tax collected through the 2022/23 tax code.

### January 2022

**31** Submit 2020/21 self-assessment tax return online. Pay balance of 2020/21 income tax, class 4 NICs, all of class 2 NICs and balance of CGT, plus first payment on account for 2021/22 income tax and class 4 NICs.

### February 2022

**1** Initial penalty imposed where the 2020/21 tax return has not been filed or has been filed on paper after 31 October 2021.

### March 2022

**2** Last day to pay 2020/21 tax to avoid automatic 5% penalty.

### April 2022

**1** VAT rate on hospitality, holiday accommodation and attractions increases from 12½% to 20%

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