



jamesmilne

CHARTERED ACCOUNTANTS

---

# Tax Data

## 2020/21

5 Bon Accord Square  
Aberdeen AB11 6XZ  
**T** 01224 584458

5 High Street,  
Inverurie AB51 3QA  
**T** 01467 623311

Rosewood, Raemoir Road  
Banchory AB31 4ET  
**T** 01330 828500

**Email** [mail@jamesmilne.co.uk](mailto:mail@jamesmilne.co.uk)

---

**jamesmilne.co.uk**

## Income Tax

	2020/21	2019/20
Personal Allowances (PA)	£12,500*	£12,500*
Married Couple's Allowance (MCA) (relief 10%) Either partner born before 6 April 1935	£9,075*	£8,915*
Transferable Tax Allowance for certain married couples (relief 20%)	£1,250	£1,250

*\*Allowances are reduced by £1 for every £2 that adjusted net income exceeds £30,200 (£29,600) to a minimum MCA of £3,510 (£3,450). Where adjusted net income exceeds £100,000, PA is reduced in the same way until it is nil regardless of the individual's date of birth.*

### Tax bands for non-savings income (Scotland)

Starter rate (19%)	£0 - £2,085	£0 - £2,049
Basic rate (20%)	£2,086 - £12,658	£2,050 - £12,444
Intermediate rate (21%)	£12,659 - £30,930	£12,445 - £30,930
Higher rate (41%)	£30,931 - £150,000	£30,931 - £150,000
Additional rate (46%)	£150,000 +	£150,000 +

### Tax bands for non-savings income (rest of UK)

Basic rate (20%)	£0 - £37,500	£0 - £37,500
Higher rate (40%)	£37,501 - £150,000	£37,501 - £150,000
Additional rate (45%)	£150,000 +	£150,000 +

Savings income	2020/21	2019/20
Savings allowance basic rate	£1,000	£1,000
Savings allowance higher rate	£500	£500

*A starting rate of 0% may be available unless taxable non-savings income exceeds £5,000.*

Dividend income	2020/21	2019/20
Dividend allowance	£2,000	£2,000
Dividend ordinary rate	7.5%	7.5%
Dividend upper rate	32.5%	32.5%
Dividend additional rate	38.1%	38.1%

## Income Tax (continued)

### Company Cars and Vans

Please refer to our website for full details of vehicle and fuel benefit rates.

Tax Shelters	2020/21	2019/20
Venture Capital Trust up to	£200,000	£200,000
Enterprise Investment Scheme up to	£1,000,000	£1,000,000
Seed Enterprise Investment Scheme up to	£100,000	£100,000
Social Investment Tax Relief	£1,000,000	£1,000,000

### Tax-Free Savings Accounts

ISA subscription limit	£20,000	£20,000
Junior ISA & Child Trust Fund subscription limit	£9,000	£4,368

### Pensions

Annual allowance	£40,000*	£40,000*
Lifetime allowance	£1,073,100	£1,055,000
Tax-free lump sum	25%	25%

*\*The annual allowance is reduced by £1 for every £2 of income over £150,000 to a minimum of £10,000. The maximum amount of tax relief available is the greater of the individual's net relevant earnings or £3,600 up to the annual allowance. Any unused annual allowance may be carried forward and used for a maximum of 3 years.*

## National Insurance Contributions

### 2020/21 Class 1 (employed) rates

Employee Earnings per week	%	Employer Earnings per week	%
Up to £183	Nil	Up to £169	Nil
£183.01 - £962	12	Over £169	13.8
Over £962	2		

*Entitlement to contribution-based benefits for employees retained for earnings between £120 and £183 per week. The employer rate is 0% for employees under 21 and apprentices under 25 on earnings up to £962 per week.*

## National Insurance Contributions (continued)

Class 1A (employers)	13.8% on employee taxable benefits
Class 1B (employers)	13.8% on PAYE Settlement Agreements
Class 2 (self-employed)	flat rate per week £3.05 small profits threshold £6,475 per annum
Class 3 (voluntary)	flat rate per week £15.30
Class 4 (self-employed)	9% on profits between £9,500 and £50,000 plus 2% on profits over £50,000

## Capital Gains Tax

	2020/21	2019/20
Annual Exempt Amount - Individuals	£12,300	£12,000
- Trusts	£6,150	£6,000

### On chargeable gains

Up to higher rate threshold	10%	10%
Above higher rate threshold	20%	20%

*An 8% surcharge applies to the disposal of residential property*

Trust rate	20%	20%
------------	-----	-----

### Entrepreneurs' relief and Investors' relief

All qualifying gains	10%	10%
Lifetime allowance	£1,000,000	£10,000,000*

*\*Reduced to £1,000,000 from 11th March 2020*

## Inheritance Tax

	2020/21	2019/20
Nil rate band	£325,000	£325,000

Any unused proportion of a nil rate band may be transferred to a surviving spouse/civil partner.

Main residence nil rate band	£150,000	£150,000
Chargeable lifetime transfers	20%	20%
Transfers on, or within 7 years of death	40%*	40%*

*\*subject to a tapered reduction for transfers between 7 and 3 years before death.*

## Land and Buildings Transaction Tax

On the transfer of property in Scotland, the Land and Buildings Transaction Tax is:

### Residential

Value up to £145,000	0%
Over £145,000 - £250,000	2%
Over £250,000 - £325,000	5%
Over £325,000 - £750,000	10%
Over £750,000	12%

### Non-residential

Value up to £150,000	0%
Over £150,000 - £250,000	1%
Over £250,000	5%

The rates apply to the portion of the total value which falls within each band. Additional LBTT of 4% may apply to the purchase of additional residential properties. First time buyer relief from LBTT applies for the first £175,000 of a relevant property purchase.

## Capital Allowances

	2020/21	2019/20
Annual Investment allowance*	£1,000,000	£1,000,000
Low emission cars (<50g/km)	100%	100%
Plant & machinery and cars 51-110g/km	18%	18%
Certain long-life assets, integral features & cars >110g/km	6%	6%
Structures and buildings	3%	2%

*\*(£200,000 from 1st January 2021)*

## Value Added Tax

From	1 April 2020
Standard Rate	20%
VAT Fraction	1/6
Reduced Rate	5%

### Current Turnover Limits

Registration – last 12 months/next 30 days over £85,000	from 1 April 2020
Deregistration – next year under £83,000	from 1 April 2020
Annual and Cash Accounting Schemes	£1,350,000
Flat Rate Scheme	£150,000

## Corporation Tax

Financial Year ending	31 March 2021	31 March 2020
Corporation Tax rate	19%	19%

## Selected Other Rates

Basic Retirement Pension	– Single person	£134.25
	– Couple	£214.70
Pension Credit Standard Min. Guarantee	– Single person	£173.75
	– Couple	£265.25
New State Pension		£175.20

Child Benefit is paid at £21.05 (first eligible child) or £13.95 (each subsequent child). Statutory Pay qualification – average weekly earnings (AWE) £120 or over. Sick (SSP) The standard rate is £95.85 per week for up to 28 weeks.

Maternity (SMP), Adoption (SAP) and Paternity (SPP) paid at the lower of £151.20 or 90% of AWE apart from first 6 weeks of SMP and SAP which are paid at 90% of AWE. SMP and SAP are payable for up to 39 weeks. SPP is payable for up to 2 weeks.

Jobseeker's Allowance is paid at £74.35 (single person - 25 or over) or £116.80 (couple – both 18 or over). Universal Credit (monthly rates) – Standard allowance for a single person (25 or over) is £323.22. The couple's rate (where one or both are 25 or over) is £507.37. The new Universal Credit is being phased in gradually.

National Living Wage – Workers aged 25 and over – £8.21 from April 2019 and £8.72 from April 2020.

National Living Wage: Age	21-24	18-20	16 and 17	Apprentices*
From 1 April 2020	£8.20	£6.45	£4.55	£4.15
From 1 April 2019	£7.70	£6.15	£4.35	£3.90

\*Rate applies to apprentices under 19, or 19 and over in the first year of apprenticeship.

## Key Dates & Deadlines

Payment dates for 2019/20

Income Tax and Class 4 NICs

1st payment on account	31 January 2020
2nd payment on account	31 July 2020
Balancing payment / Capital Gains Tax	31 January 2021
Class 1A NICs	19 July 2020

Corporation Tax – 9 months and one day after the end of accounting period (or by quarterly instalments if large company)

2019/20 Returns Filing Deadlines:

Issue P60s to employees	31 May 2020
P11D and P11D(b) and appropriate copies to employees	6 July 2020
Self Assessment Tax Return (SATR) - paper version	31 October 2020
SATR Online where outstanding tax (subject to cap) to be included in 2020/21 PAYE code	31 December 2020
SATR Online	31 January 2021

*For general guidance only.*