



jamesmilne

CHARTERED ACCOUNTANTS

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# Tax Data

## 2021/22

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[jamesmilne.co.uk](https://www.jamesmilne.co.uk)

## Income Tax

	2021/22	2020/21
Personal Allowances (PA)	£12,570*	£12,500*
Married Couple's Allowance (MCA) (relief 10%) Either partner born before 6 April 1935	£9,125*	£9,075*
Transferable Tax Allowance for certain married couples (relief 20%)	£1,260	£1,250
Blind person's Allowances	£2,520	£2,500

*\*Allowances are reduced by £1 for every £2 that adjusted net income exceeds £30,400 (£30,200) to a minimum MCA of £3,530 (£3,510). 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 - £2,097	£0 - £2,085
Basic rate (20%)	£2,098 - £12,726	£2,086 - £12,658
Intermediate rate (21%)	£12,727 - £31,092	£12,659 - £30,930
Higher rate (41%)	£31,093 - £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 - £37,700	£0 - £37,500
Higher rate (40%)	£37,701 - £150,000	£37,501 - £150,000
Additional rate (45%)	£150,000 +	£150,000 +

### Savings income

	2021/22	2020/21
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

	2021/22	2020/21
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	2021/22	2020/21
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	£9,000

### Pensions

Annual allowance	£40,000*	£40,000*
Lifetime allowance	£1,073,100	£1,073,100
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

### 2021/22 Class 1 (employed) rates

Employee Earnings per week	%	Employer Earnings per week	%
Up to £184	Nil	Up to £170	Nil
£184.01 - £967	12	Over £170	13.8
Over £967	2		

*Entitlement to contribution-based benefits for employees retained for earnings between £120 and £184 per week. The employer rate is 0% for employees under 21 and apprentices under 25 on earnings up to £967 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 £6,515 per annum
Class 3 (voluntary)	flat rate per week £15.40
Class 4 (self-employed)	9% on profits between £9,568 and £50,270 plus 2% on profits over £50,270

## Capital Gains Tax

	2021/22	2020/21
Annual Exempt Amount - Individuals	£12,300	£12,300
- Trusts	£6,150	£6,150
On chargeable gains		
Up to higher rate threshold	10%	10%
Above higher rate threshold	20%	20%
<i>An 8% surcharge applies to the disposal of residential property</i>		
Trust rate	20%	20%
Business Asset Disposal Relief		
All qualifying gains	10%	10%
Lifetime allowance	£1,000,000	£1,000,000

## Inheritance Tax

	2021/22	2020/21
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 £145,001 - £250,000	2%
	Over £250,001 - £325,000	5%
	Over £325,001 - £750,000	10%
	Over £750,000	12%
Non-residential	Value up to £150,000	0%
	£150,001 - £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

	<b>2021/22</b>
Annual Investment allowance*	£1,000,000
*(£200,000 from 1st January 2022)	
Corporation tax super-deduction on certain plant and machinery	130%
<b>First Year Allowance (FYA)</b>	
FYA on certain plant, machinery and cars of 0g/km	100%
Corporation tax FYA on long-life assets, integral features of buildings etc	50%
<b>Writing Down Allowance</b>	
Plant & machinery	18%
Certain long-life assets, integral features of buildings & cars >50g/km	6%
Structures and buildings	3%

## Value Added Tax

From	<b>1 April 2021</b>
Standard Rate	20%*
VAT Fraction	1/6
Reduced Rate	5%
*12.5% for hospitality and tourism from 1 October 2021 to 31 March 2022	

### Current Turnover Limits

Registration – last 12 months/next 30 days over £85,000	from 1 April 2021
Deregistration – next year under £83,000	from 1 April 2021
Annual and Cash Accounting Schemes	£1,350,000
Flat Rate Scheme	£150,000

## Corporation Tax

Financial Year ending	<b>31 March 2022</b>	<b>31 March 2021</b>
Corporation Tax rate	19%	19%

## Selected Other Rates

Basic Retirement Pension	– Single person	£137.60
	– Couple	£220.05
Pension Credit Standard Min. Guarantee	– Single person	£177.10
	– Couple	£270.30
New State Pension		£179.60

Child Benefit is paid at £21.15 (first eligible child) or £14.00 (each subsequent child).

Statutory Pay qualification – average weekly earnings (AWE) £120 or over.

Sick (SSP) The standard rate is £96.35 per week for up to 28 weeks.

Maternity (SMP), Adoption (SAP) and Paternity (SPP) paid at the lower of £151.97 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 £74.70 (single person - 25 or over) or £117.40 (couple – both 18 or over). Universal Credit (monthly rates) – Standard allowance for a single person (25 or over) is £324.84. The couple's rate (where one or both are 25 or over) is £509.91. The new Universal Credit is being phased in gradually.

National Living Wage – Workers aged 25 and over – £8.91 from April 2021 and £8.72 from April 2020.

National Living Wage: Age	21-24	18-20	16 and 17	Apprentices*
From 1 April 2021	£8.36	£6.56	£4.62	£4.30
From 1 April 2020	£8.20	£6.45	£4.55	£4.15

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

## Key Dates & Deadlines

Payment dates for 2020/21

Income Tax and Class 4 NICs

1st payment on account	31 January 2021
2nd payment on account	31 July 2021
Balancing payment	31 January 2022
Class 1A NICs	19 July 2021

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

2020/21 Returns Filing Deadlines:

Issue P60s to employees	31 May 2021
P11D and P11D(b) and appropriate copies to employees	6 July 2021
Self Assessment Tax Return (SATR) - paper version	31 October 2021
SATR Online where outstanding tax (subject to cap)	
to be included in 2020/21 PAYE code	31 December 2021
SATR Online	31 January 2022

*For general guidance only.*