



jamesmilne

CHARTERED ACCOUNTANTS

Tax Data

2022/23

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Income Tax

	2022/23	2021/22
Personal Allowances (PA)*	£12,570	£12,570
Married Couple's Allowance (MCA) (relief 10%)		
Either partner born before 6 April 1935*	£9,425	£9,125
Transferable Tax Allowance		
for certain married couples (relief 20%)	£1,260	£1,260
Blind person's Allowances	£2,600	£2,520
Rent a room relief **	£7,500	£7,500
Trading income **	£1,000	£1,000
Property income **	£1,000	£1,000

*Allowances are reduced by £1 for every £2 that adjusted net income exceeds £31,400 (£30,400) to a minimum MCA of £3,640 (£3,530). 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.

** If gross income exceeds this, the limit may be deducted instead of actual expenses

Tax bands for non-savings income (Scotland)

Starter rate (19%)	£0 - £2,162	£0 - £2,097
Basic rate (20%)	£2,163 - £13,118	£2,098 - £12,726
Intermediate rate (21%)	£13,119 - £31,092	£12,727 - £31,092
Higher rate (41%)	£31,093 - £150,000	£31,093 - £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 - £37,700
Higher rate (40%)	£37,701 - £150,000	£37,701 - £150,000
Additional rate (45%)	£150,000 +	£150,000 +

Savings income

	2022/23	2021/22
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

	2022/23	2021/22
Dividend allowance	£2,000	£2,000
Dividend ordinary rate	8.75%	7.5%
Dividend upper rate	33.75%	32.5%
Dividend additional rate	39.35%	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	2022/23	2021/22
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 £4,000. 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

2022/23 Class 1 (employed) rates (6th April - 5th July)

Employee Earnings per week	%	Employer Earnings per week	%
Up to £190	Nil	Up to £175	Nil
£190.01 - £967	13.25	Over £175	15.05
Over £967	3.25		

2022/23 Class 1 (employed) rates (6th July - 5th April)

Employee Earnings per week	%	Employer Earnings per week	%
Up to £242	Nil	Up to £175	Nil
£242.01 - £967	13.25	Over £175	15.05
Over £967	3.25		

National Insurance Contributions (continued)

Entitlement to contribution-based benefits for employees retained for earnings between £123 and £190 (increased to £242 from 6th July) per week. The employer rate is 0% for employees under 21 and apprentices under 25 on earnings up to £967 per week.

Class 1A (employers)	15.05% on employee taxable benefits
Class 1B (employers)	15.05% on PAYE Settlement Agreements
Class 2 (self-employed)	flat rate per week £3.15 small profits threshold £6,725 per annum
Class 3 (voluntary)	flat rate per week £15.85
Class 4 (self-employed)	10.25% on profits between £11,988 and £50,270 plus 3.25% on profits over £50,270

Capital Gains Tax

	2022/23	2021/22
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

	2022/23	2021/22
Nil rate band	£325,000	£325,000
Any unused proportion of a nil rate band may be transferred to a surviving spouse/civil partner - A further nil rate band £175,000 maybe available to current or former residences.		
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

	2022/23
Annual Investment allowance*	£1,000,000
*(£200,000 from 1st January 2023)	
Corporation tax super-deduction on certain plant and machinery	130%
First Year Allowance (FYA)	
FYA on certain plant, machinery and cars of 0g/km	100%
Corporation tax FYA on long-life assets, integral features of buildings etc	50%
Writing Down Allowance	
Plant & machinery	18%
Certain long-life assets, integral features of buildings & cars >50g/km	6%
Structures and buildings	3%

Value Added Tax

From	1 April 2022
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 2022
Deregistration – next year under £83,000	from 1 April 2022
Annual and Cash Accounting Schemes	£1,350,000
Flat Rate Scheme	£150,000

Corporation Tax

Financial Year ending

31 March 2023

31 March 2022

Corporation Tax rate

19%

19%

Selected Other Rates

Basic Retirement Pension	– Single person	£141.85
	– Couple	£226.85
Pension Credit Standard Min. Guarantee	– Single person	£182.60
	– Couple	£278.70
New State Pension		£185.15

Child Benefit is paid at £21.80 (first eligible child) or £14.45 (each subsequent child).

Statutory Pay qualification – average weekly earnings (AWE) £123 or over.

Sick (SSP) The standard rate is £99.35 per week for up to 28 weeks.

Maternity (SMP), Adoption (SAP) and Paternity (SPP) paid at the lower of £156.66 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.

National Living Wage – Workers aged 25 and over – £9.50 from April 2022 and £8.91 from April 2021.

National Living Wage: Age	21-24	18-20	16 and 17	Apprentices*
From 1 April 2022	£9.18	£6.83	£4.81	£4.81
From 1 April 2021	£8.36	£6.56	£4.62	£4.30

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

Key Dates & Deadlines

Payment dates for 2021/22

Income Tax and Class 4 NICs

1st payment on account

31 January 2022

2nd payment on account

31 July 2022

Balancing payment

31 January 2023

Class 1A NICs

19 July 2022

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

2021/22 Returns Filing Deadlines:

Issue P60s to employees

31 May 2022

P11D and P11D(b) and appropriate copies to employees

6 July 2022

Self Assessment Tax Return (SATR) - paper version

31 October 2022

SATR Online where outstanding tax (subject to cap)

to be included in future PAYE code

31 December 2022

SATR Online

31 January 2023

For general guidance only.