



jamesmilne

CHARTERED ACCOUNTANTS

Tax Data

2023/24

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Income Tax

	2023/24	2022/23
Personal Allowances (PA)*	£12,570	£12,570
Married Couple's Allowance (MCA) (relief 10%) Either partner born before 6 April 1935*	£10,375	£9,415
Transferrable Tax Allowance for certain married couples (relief 20%)	£1,260	£1,260
Blind person's Allowance	£2,870	£2,600
Rent a room relief **	£7,500	£7,500
Trading / Property income **	£1,000	£1,000

**Allowances are reduced by £1 for every £2 that adjusted net income exceeds £34,600 (£31,400) to a minimum MCA of £4,010 (£3,640). 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)

	2023/24		2022/23	
Starter Rate	£0 - £2,162	19%	£0 - £2,162	19%
Basic Rate	£2,163 - £13,118	20%	£2,163 - £13,118	20%
Intermediate Rate	£13,119 - £31,092	21%	£13,119 - £31,092	21%
Higher Rate	£31,093 - £125,140	42%	£31,093 - £150,000	41%
Additional Rate	£125,140 +	47%	£150,000 +	46%

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

	2023/24		2022/23	
Basic Rate	£0 - £37,700	20%	£0 - £37,700	20%
Higher Rate	£37,701 - £125,140	40%	£37,701 - £150,000	40%
Additional Rate	£125,140 +	45%	£150,000 +	45%

Income Tax (continued)

Savings income	2023/24	2022/23
Savings allowance basic rate	£1,000	£1000
Savings allowance higher rate	£500	£500

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

Dividend income	2023/24	2022/23
Dividend allowance	£1,000	£2,000
Dividend ordinary rate	8.75%	8.75%
Dividend upper rate	33.75%	33.75%
Dividend Additional	39.35%	39.35%

Company Cars and Vans

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

Tax Shelters	2023/24	2022/23
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	£60,000*	£40,000*
Money Purchase Annual Allowance	£10,000	£4,000
Lifetime Allowance	None	£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

2023/24 Class 1 (employed) rates

Employee Earnings per week		Employer Earnings per week	
Up to £242	Nil	Up to £175	Nil
£242.01 - £967	12%	Over £175	13.8%
Over £967	2%		

Entitlement to contribution-based benefits for employees retained for earnings between £123 and £242 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)	13.8% on employee taxable benefits
Class 1B (employers)	13.8% on PAYE Settlement Agreements
Class 2 (self-employed)	flat rate per week £3.45 small profits threshold £6,725 per annum
Class 3 (voluntary)	flat rate per week £17.45
Class 4 (self-employed)	9% on profits between £12,570 and £50,270 plus 2% on profits over £50,270

Capital Gains Tax

	2023/24	2022/23
Annual Exempt Amount - Individuals	£6,000	£12,300
- Trusts	£3,000	£6,150

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%
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Business Asset Disposal Relief

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

Inheritance Tax

	2023/24	2022/23
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	£175,000	£175,000
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 6% 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

	2023/24
Annual Investment allowance*	£1,000,000
First Year Allowance (FYA)	
FYA on certain plant, machinery and cars of 0g/km	100%
Corporation tax FYA (full expensing) on certain new, unused plant and machinery from 1st April 2023	100%
Corporation tax FYA on new, unused long-life assets, integral features of buildings etc from 1st April 2023	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 2023
Standard Rate	20%*
Reduced Rate	5%
VAT Fraction	1/6
Current Turnover Limits	
Registration – last 12 months/next 30 days over £85,000	from 1 April 2023
Deregistration – next year under £83,000	from 1 April 2023
Annual and Cash Accounting Schemes	£1,350,000
Flat Rate Scheme	£150,000

Corporation Tax

Financial Year ending	Profit band	Year to 31 March 2024	Year to 31 March 2023
Small profits rate	£0 - £50,000	19%	19%
Marginal rate	£50,001 - £250,000	26.5%	19%
Main rate	£250,001 +	25%	19%
Marginal relief fraction		3/200	-