



2021/22
**Tax Rates
& Allowances**



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SELECTED RATES

	2021/22	2020/21
Weekly benefit	£	£
Basic State Pension	137.60	134.25
New State Pension	179.60	175.20
Statutory pay standard rates		
- average weekly earnings £120 (£120) or over		
Sick Pay	96.35	95.85
Maternity/Adoption Pay	151.97	151.20
Shared Parental Pay	151.97	151.20
Paternity Pay	151.97	151.20

National Living Wage and National Minimum Wage

Age	NLW	21-22	18-20	16-17	Apprentices
From 1 April 2021	£8.91	£8.36	£6.56	£4.62	£4.30

*Applies to apprentices under 19, or 19 and over in the first year of apprenticeship.
NLW applies to those aged 23 and over.*

TAX RELIEFS FOR INDIVIDUALS

2021/22 and 2020/21

Enterprise Investment Scheme (EIS)

Relief on investments in certain unquoted trading companies up to £1m per annum (£2m for knowledge intensive companies):

- Income tax relief at 30%
- Capital gains exemption on disposal

Unlimited amounts of capital gains from the disposal of other assets may be able to be deferred by making an EIS investment.

Seed Enterprise Investment Scheme (SEIS)

Relief on investments in certain unquoted trading companies up to £100,000 per annum:

- Income tax relief at 50%
- Capital gains exemption on disposal

Capital gains from the disposal of other assets may be exempt up to £50,000 per annum by making an SEIS investment.

Venture Capital Trusts (VCTs)

Relief on investments in certain quoted companies up to £200,000 per annum:

- Income tax relief at 30%
- Capital gains exemption on disposal

Dividends received from VCTs may be exempt from income tax.

All reliefs subject to detailed conditions being met.

CORPORATION TAX

	Rate %		Rate %
Year to 31.3.22	19	Year to 31.3.21	19

Different rates apply for ring-fenced (broadly oil industry) profit.

CAPITAL ALLOWANCES

Corporation tax super-deduction on certain plant and machinery **130%**

First Year Allowance (FYA) on certain plant, machinery and cars of 0g/km **100%**

Corporation tax FYA on long-life assets, integral features of buildings, etc. **50%**

Annual Investment Allowance (AIA) £1,000,000 (£200,000 from 1 January 2022)

Excludes cars

Writing Down Allowance

Long-life assets, integral features of buildings, cars over 50g/km **6%**

Other plant and machinery **18%**

Structures and Buildings Allowance **3%**

PENSIONS

	2021/22	2020/21
Lifetime Allowance limit	£1,073,100	£1,073,100
Annual Allowance limit	£40,000	£40,000
Money Purchase Annual Allowance	£4,000	£4,000

VALUE ADDED TAX

	From 1.4.21	From 1.4.20
Standard rate	20%	20%
Reduced rate	5%*	5%
Annual Registration Limit	£85,000	£85,000
Annual Deregistration Limit	£83,000	£83,000

**12.5% for hospitality and tourism from 1 October 2021 - 31 March 2022.*

PROPERTY TAXES

Across the whole of the UK, residential rates may be increased by 3% (4% in Scotland and Wales) where further residential properties are acquired.

Stamp Duty Land Tax

Land and buildings in England and N. Ireland

Residential Band £	Rate %	Non-residential Band £	Rate %
0 - 500,000*	0	0 - 150,000	0
*500,001 - 925,000	5	150,001 - 250,000	2
925,001 - 1,500,000	10	Over 250,000	5
Over 1,500,000	12		

*£250,000 from 1 July 2021. From 1 October 2021, 0% up to £125,000, 2% from £125,001 - £250,000 and 5% from £250,001 - £925,000.

Land and Buildings Transaction Tax

Land and buildings in Scotland

Residential Band £	Rate %	Non-residential Band £	Rate %
0 - 145,000	0	0 - 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		

First-Time Buyer relief may apply on the first £175,000 of residential purchases.

Land Transaction Tax

Land and buildings in Wales

Residential Band £	Rate %	Non-residential Band £	Rate %
0 - 250,000*	0	0 - 225,000	0
*250,001 - 400,000	5	225,001 - 250,000	1
400,001 - 750,000	7.5	250,001 - 1,000,000	5
750,001 - 1,500,000	10	Over 1,000,000	6
Over 1,500,000	12		

*The rates are 0% up to £180,000, 3.5% from £180,001 - £250,000 and 5% from £250,001 - £400,000 from 1 July 2021.

Disclaimer: Rates are for guidance only. No responsibility for loss occasioned by any person acting/refraining from action as a result of this information can be accepted by the authors or firm.

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