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## **Some Important Tax Rates for 2024/25**

## **Tax-free Savings for Individuals**



The government has published a consultation on a new UK ISA (£5,000 allowance, invested in UK equities)

## **Dividend Taxation**

**£500** tax-free Dividend Allowance

Dividends above this level will be taxed at;	•	(basic rate)
	<b>&gt;</b>	<b>33.75%</b> (higher rate)
	<b>&gt;</b>	<b>39.35%</b> (additional rate)

8.75%

## **Income Tax Allowances**

Income Tax Personal Allowance **£12,570**There is one Income Tax Personal Allowance regardless of an individual's date of birth

The following Income Tax rates apply for 2024/25 for the UK (excl. Scotland):

Basic Rate	20%	£0-£37,700
Higher rate	40%	£37,701-£125,140
Additional rate	45%	£125,140+

Where your adjusted net income exceeds £100,000, the Personal Allowance reduces by £1 for every £2 of adjusted net income above **£100,000** 

## **Personal Savings Allowance**





For additional rate tax payers the allowance is nil

## **Pension Annual Allowance**

The Annual Allowance is **£60,000** for 2024/25

£1 of Annual Allowance is lost for every £2 of adjusted income over £260,000. The minimum tapered Annual Allowance is £10,000

#### Other Pension Allowances

The Lifetime Allowance and charge have been abolished, replaced by the Lump Sum and Death Benefit Allowance (LSDBA) of £1,073,100 and the Lump Sum Allowance (LSA) of £268,275



## **State Pension**

Flat rate State Pension increased to **£221.20pw** from 6/4/24

(35 qualifying National Insurance years needed)

Old State Pension increased to £169.50pw from 6/4/24

#### Inheritance Tax (IHT)



Nil-Rate IHT band £325.000



**40%** IHT payable above this threshold



or **36%** if you leave at least 10% or more of your net estate to charity

Additional main
Residence Nil-Rate
band (RNRB) when
a residence is passed on
death to a direct descendant.

For the 2024/25 tax year the allowance is **£175,000** 

This will be subject to a maximum estate value of £2m

## Other IHT-free gifts, include;

**Gifts** between UK domiciled husband or wife or between civil partners;



Total gifts up to **£3,000** in a year (can be carried forward one tax year)



Small gifts to other recipients up to **£250** each in a year



Gifts in consideration of marriage or civil partnership ranging from £5,000 from each parent of the couple, to £1,000 from anyone else



Failed chargeable lifetime transfers and potentially exempt transfers may receive taper relief on the IHT payable.

# Capital Gains Tax

Annual personal CGT exemption



£3,000

levied at **10%** on gains within the basic rate Income Tax band, or **20%** for gains in the higher rate Income Tax bands



Residential property gains at **18%** within the basic rate Income Tax band, or **24%** for gains in the higher rate Income Tax bands

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