



TAX TABLES

2020/21

Income Tax

Rates	2020/21	2019/20
Starting Rate of 0% on savings income tax up to*	£5,000	£5,000
Savings allowance at 0% tax: Basic Rate taxpayers	£1,000	£1,000
Higher Rate taxpayers	£500	£500
Additional Rate taxpayers	NIL	NIL
Basic Rate at 20% on income up to	£37,500	£37,500
Maximum tax at Basic Rate	£7,500	£7,500
Higher Rate at 40% on income	£37,500-£150,000	£34,500-£150,000
Tax on first £150,000	£52,500	£52,500
Additional Rate on income over £150,000	45%	45%
Dividend tax credit	-	-
Dividend Allowance	£2,000	£2,000
Tax rate on dividends		
Basic Rate taxpayers	7.5%	7.5%
Higher Rate taxpayers	32.5%	32.5%
Additional Rate taxpayers	38.1%	38.1%
Trusts: Standard rate band generally	£1,000	£1,000
Rate applicable to trusts: Dividends	38.1%	38.1%
Other income	45%	45%

* Not available if taxable non-savings income exceeds the starting rate band

Main Personal Allowances and Reliefs	2020/21	2019/20
Personal (basic)	£12,500	£12,500
Personal reduced if net income exceeds	£100,000	£100,000
Transferable tax allowance for married couples/civil partners	£1,250	£1,250
Married couple's/civil partner allowance [†]		
max amount	£9,075	£8,915
min amount	£3,510	£3,450
Blind person's allowance	£2,500	£2,450
Rent a room tax free income	£7,500	£7,500
Child Benefit Charge	1% of benefit for each £100 of income between £50,000 and £60,000	

* Reduced by £1 for every £2 of income over £30,200 (£29,960 for 2019/20), until minimum reached.

[†] Relief at 10% if at least one of the couple was born before 6/4/35.

Tax Incentivised Investment	2020/21	2019/20
Venture Capital Trust (VCT) at 30%	£200,000	£200,000
Enterprise Investment Scheme (EIS) at 30%	£2,000,000	£2,000,000
EIS eligible for CGT reinvestment deferral relief	No limit	No limit
Seed EIS (SEIS) at 50%	£100,000	£100,000
SEIS CGT reinvestment relief	50%	50%
Non Domicile Remittance Basis Charge After Residence in at least:		
7 of the last 9 tax years	£30,000	£30,000
12 of the last 14 tax years	£60,000	£60,000

* Above £1,000,000 must be in knowledge intensive companies.

National Insurance Contributions

Class 1 Employee

	2020/21		2019/20	
	Employee	Employer	Employee	Employer
NIC rate	12%	13.8%	12%	13.8%
No NICs on the first: under 21/25 [§]	£183 pw	£962 pw	£166 pw	£962 pw
21/25 & over	£183 pw	£169 pw	£166 pw	£166 pw
NICs charged up to	£962 pw	No limit	£962 pw	No limit
2% NIC on earnings over	£962 pw	N/A	£962 pw	N/A
Certain married women	5.85%	13.8%	5.85%	13.8%
Employment Allowance per business			2020/21	2019/20
Payable per business. Not available if the sole employee is a director.			£4,000	£3,000
Limits and Thresholds for 2019/20		Weekly	Monthly	Annual
Lower Earnings Limit		£120	£520	£6,240
Primary Earnings Threshold		£183	£792	£9,500
Secondary Earnings Threshold		£169	£732	£8,788
Upper Earnings Limit (under 21 or Apprentice under 25)		£962	£4,167	£50,000
Class 1A Employer			2020/21	2019/20
On car & fuel benefits and most other taxable benefits provided to P11D employees and directors			13.8%	13.8%
Self Employed		2020/21	2019/20	
Class 2 Flat rate Small profits threshold	£3.05 pw / £158.60 pa £6,475 pa		£3.00 pw / £156.00 pa £6,365 pa	
Class 4 On profits	£9,500 – £50,000 pa: 9% Over £50,000 pa: 2%		£8,632 – £50,000 pa: 9% Over £50,000 pa: 2%	
Class 3 Voluntary Flat rate	£15.30 pw / £795.60 pa		£15.00 pw / £780.00 pa	

[§] for apprentices

Basic State Pension

	2020/21		2019/20	
	Weekly	Annual	Weekly	Annual
Single person*	£134.25	£6,981.00	£129.20	£6,718.40
Spouse/civil partner*	£80.45	£4,183.40	£77.45	£4,027.40
New state pension**	£175.20	£9,110.40	£168.60	£8,767.20

* State pension age reached before 6/4/2016

**State pension age reached after 5/4/2016

Corporation Tax

	To 31/3/21	To 31/3/20
All Profits	19%	19%
On Outstanding Directors Loans	32.5%	32.5%

Value Added Tax

Standard Rate	20%
Reduced Rate, e.g. on domestic fuel	5%
Registration level from 01 April 2017	£85,000
De-registration level from 01 April 2017	£83,000
Flat rate scheme turnover limit	£150,000
Cash and annual accounting schemes turnover limits	£1,350,000

Stamp Duty

First time home buyers (excl. Scotland): 0% on first £300,000 for properties up to £500,000

First time home buyers (Scotland): 0% on first £175,000

Residential Property Value (on slices)

England & NI	Rate	Wales	Rate	Scotland	Rate
£125,000 or less	Nil	£180,000 or less	Nil	£145,000 or less	Nil
£125,001 – £250,000	2%	£180,001 – £250,000	3.5%	£145,001 – £250,000	2%
£250,001 – £925,000	5%	£250,001 – £400,000	5%	£250,001 – £325,000	5%
£925,001 – £1,500,000	10%	£400,001 – £750,000	7.5%	£325,001 – £750,000	10%
Over £1,500,000	12%	£750,001 – £1,500,000	10%	Over £750,001	12%
		Over £1,500,000	12%		

Second properties over £40,000 and over – add 3% to SDLT/LBTT rate(s) and 4% to LBTT rate(s)

UK properties bought by companies etc over £500,000 – 15% on total

Commercial Property Value (on slices)

England & NI	Rate	Wales	Rate	Scotland	Rate
£150,000 or less	Nil	£150,000 or less	Nil	£150,000 or less	Nil
£150,001 – £250,000	2%	£150,001 – £250,000	1%	£150,001 – £250,000	1%
Over £250,000	5%	£250,000 – £1,000,000	5%	Over £250,000	5%
		Over £1,000,000	6%		

Stamp Duty and SDRT: stocks and marketable securities 0.5%

No charge to stamp duty unless the duty exceeds £5

Capital Gains Tax

Tax Rates – Individuals	2020/2021	2019/20
Gains to Basic Rate limit	10%	10%
Gains above Basic Rate limit	20%	20%
Tax Rate – Trusts and Estates	20%	20%
Surcharge for residential property and carried interest	8%	8%

Exemptions

Individuals, estates, etc.	£12,300	£12,000
Trusts generally	£6,150	£6,000
Chattels proceeds (restr to 5/3 of proceeds exceeding limit)	£6,000	£6,000
Entrepreneurs Relief – Taxed at 10% up to lifetime limit of*	£1,000,000	£10,000,000

* (£10,000,000 before 11 March 2020) for trading businesses/companies (min 5% employee/dir shareholding) for at least 2 years

Registered Pensions

	2020/21	2019/20
Lifetime Allowance	£1,073,100	£1,055,000
Annual Allowance*	£40,000	£40,000
Annual Allowance Charge on excess	20%–45%	20%–45%
Money Purchase Annual Allowance	£4,000	£4,000
Max pension tax free lump sum (subject to LTA)	25% of pension benefit value	
Lifetime Allowance Charge if excess drawn:	As cash 55%; as income 25%	

* Reduced by £1 for every £2 of adjusted income over £240,000 (£150,000 for 19/20) to a minimum of £4,000 (£10,000 for 19/20), subject to threshold income being over £200,000 (£110,000)

Tax Free Savings

Limits	2020/21	2019/20
Individual Savings Account (ISA)	£20,000	£20,000
Lifetime ISA (LISA)	£4,000	£4,000
Junior ISA and Child Trust Fund	£9,000	£4,368

Inheritance Tax

	2020/21	2019/20
Nil-rate band [†]	£325,000	£325,000
Residence Nil-rate band ^{†º}	£175,000	£150,000
Rate of tax on excess	40%	40%
Rate if at least 10% of net estate left to charity	36%	36%
Lifetime transfers to and from certain trusts	20%	20%
Overseas domiciled spouse/civil partner exemption	£325,000	£325,000
100% relief: businesses, unlisted/AIM companies, certain farmland/buildings		
50% relief: certain other business assets, e.g. farmland let before 1/9/95		
Annual exempt gifts	£3,000 per donor	£250 per donee

Reduced tax charge on gifts within 7 years of death

Years before death	0-3	3-4	4-5	5-6	6-7
% of death tax charge	100%	80%	60%	40%	20%

[†] Up to 100% of the unused proportion of a deceased spouse's/civil partner's nil-rate band can be claimed on the surviving spouse's/civil partner's death

^º Estates over £2,000,000: the value of the residence nil-rate band is reduced by 50% of the excess over £2,000,000

Main Capital and Other Allowances

Plant & machinery 100% annual investment allowance (1st year) 1/1/19–31/12/20	£1,000,000
From 1/1/21	£200,000
Enterprise zone plant and machinery (Max €125m per investment project)	100%
Plant & machinery (reducing balance) pa	18%
Patent rights & know-how (reducing balance) pa	25%
Certain long-life assets, integral features of buildings (reducing balance) pa	6%
Structures and buildings (straight line)	3%
Electric charge points	100%

Motor Cars

CO2 emission of g/km	50 or less*	51–110	111 or more
Capital allowance	100% first year	18% pa+	6% pa+

Research and Development

Capital expenditure		100%
Revenue expenditure	small/medium-sized firms	230%
R&D expenditure credit	large companies	13%

* Only for new cars + Annual Reducing balance

Cars Benefit for Employees

Taxable amount based on car's list price when new. Charge varies according to CO2 emissions in g/km.

Zero emission cars					No charge
Range in miles on electricity only	< 30	30 – 39	40 – 69	70 – 129	130 +
Registered pre-6/4/20 (NEDC)	14%	12%	8%	5%	2%
Registered post-5/4/20 (WLTP)	12%	10%	6%	3%	Nil
All Non-diesel Cars CO2 Emission over 50g/km	51-54g/km		55g/km & over		
Registered pre-6/4/20 (NEDC)	15%		16%* – 37%		
Registered post-5/4/20 (WLTP)	13%		14%* – 37%		

Fuel Benefits – taxable amount for private use	2020/21	2019/20
CO2% charge used for car benefit multiplied by	£24,500	£24,100

* Increased for every extra 5g/km by 1% up to the maximum 37%. Diesels not meeting RDE2 standards: add 4%, up to the maximum of 37%.

Vans - Taxable Amounts for Private Use

	2020/21	2019/20
Zero-emission: chargeable amount	£2,792	£2,058
Other vans: chargeable amount	£3,490	£3,430
Fuel – flat charge	£666	£655

MONTAGE

WEALTH MANAGEMENT

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