

# Tax table 2021/2022

## Putting the facts at your fingertips



### Income Tax – Rates, Main Personal Allowances & Reliefs (England & Northern Ireland and Savings/ Dividend income in for Scottish & Welsh taxpayers)

Rates Of Tax	2020/2021	2021/2022
Starting rate for savings (Restricted to savings income only and not available if taxable non-savings income exceeds starting rate band.)	0%	0%
Basic rate	20%	20%
Higher rate	40%	40%
Additional rate	45%	45%
Dividends:		
For basic rate tax payers	7.5%	7.5%
For higher rate tax payers	32.5%	32.5%
For additional rate tax payers	38.1%	38.1%
Starting-rate limit (for savings income)	£5,000	£5,000
Threshold of taxable income above which higher rate applies	£37,500	£37,700
Threshold of taxable income above which additional rate applies	£150,000	£150,000
Child benefit charge 1% of benefit for every £100 of income over	£50,000	£50,000
Trusts		
Standard rate band (split between trust created by the same Settlor, subject to a minimum of 1/5th of the full amount)	£1,000	£1,000
Rate applicable to trusts: - Dividends	38.1%	38.1%
- Other income	45%	45%
<b>Personal Savings Allowance</b>		
for basic rate taxpayers	£1,000	£1,000
for higher rate taxpayers	£500	£500
for additional rate taxpayers	NIL	NIL
Dividend Allowance (at 0%)	£2,000	£2,000
Personal Allowance	£12,500	£12,570
Income limit for Personal Allowance §	£100,000	£100,000
Marriage Allowance (for spouse/civil partners born on or after 6 April 1935)	Up to £1,250	Up to £1,260
Married/civil partners (if born before 6 April 1938) at 10% †	£9,075	£9,125
Married/civil partners (minimum) at 10% †	£3,510	£3,530
Income limit for age-related allowances (* applies to married couples allowance only)	£30,200*	£30,400*
§ the Personal Allowance reduces by £1 for every £2 of income above the income limit irrespective of age (under the income threshold).		
† where at least one spouse/civil partner was born before 6 April 1935.		
Blind Person's Allowance	£2,500	£2,520
Rent-a-room tax-free income	£7,500	£7,500
Enterprise Investment Scheme relief limit on £1,000,000 max	30%	30%
Seed Enterprise Investment relief limit on £100,000	50%	50%
Venture Capital Trust relief limit on £200,000 max	30%	30%
Child Tax Credit (CTC)		
- Child element per Child (maximum)	£2,830	£2,845
- Family element	£545	£545
Threshold for tapered withdrawal of CTC	£16,385	£16,480
Non-domicile remittance Basis Charge after UK 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

### Income Tax – Rates & Bands (non-savings and non-dividend income for Scottish taxpayers)

	2020/2021	2021/2022
Starter rate	19%	19%
Basic rate	20%	20%
Intermediate rate	21%	21%
Higher rate	41%	41%
Top rate	46%	46%
Threshold of taxable income above which starter rate applies	£12,500*	£12,570*
Threshold of taxable income above which basic rate applies	£14,585	£14,667
Threshold of taxable income above which intermediate rate applies	£25,158	£25,296
Threshold of taxable income above which higher rate applies	£43,430	£43,662
Threshold of taxable income above which top rate applies	£150,000**	£150,000**
*Assumes individual is in receipt of full UK personal allowance		
** the Personal Allowance reduces by £1 for every £2 of income above the income limit irrespective of age (under the income threshold).		

### Income Tax – Rates & Bands (non-savings and non-dividend income for Welsh taxpayers)

	2020/2021	2021/2022
Basic rate	20%	20%
Higher rate	40%	40%
Additional rate	45%	45%
Threshold of taxable income above which higher rate applies	£37,500	£37,700
Threshold of taxable income above which additional rate applies	£150,000	£150,000
*Assumes individual is in receipt of full UK personal allowance		
** the Personal Allowance reduces by £1 for every £2 of income above the income limit irrespective of age (under the income threshold).		

### National Insurance Contributions 2021/2022

Class 1 Employee	Weekly	Monthly	Yearly
Lower Earnings Limit (LEL)	£120	£520	£6,240
Primary threshold	£184	£797	£9,568
Secondary threshold	£170	£737	£8,840
Upper Earnings Limit (UEL)	£967	£4,189	£50,270
<b>Class 1 Employee Contributions</b>			
<b>Total earnings £ per week</b>	<b>Rate</b>		
Below 184*	Nil		
184.01 – 967	12%		
Excess over 967	2%		
<b>Class 1 Employer Contributions</b>			
<b>Total earnings £ per week</b>	<b>Rate</b>		
Below 184**	Nil		
184.01 – 967	13.8%		
Excess over 967	13.8%		
* This is the primary threshold below which no employee NI contributions are payable.			
** This is the secondary threshold below which no employer NI contributions are payable.			
Class 2 (self-employed)	Flat rate per week £3.05 where profits exceed £6,515 per annum		
Class 3 (voluntary)	Flat rate per week £15.40		
Class 4 (self-employed)	9% on profits between £9,568 - £50,270 2% on profits above £50,270		

Pensions			
Tax Year	Lifetime Allowance	Annual Allowance	Money Purchase Annual Allowance
2006/2007	£1,500,000	£215,000	N/A
2007/2008	£1,600,000	£225,000	N/A
2008/2009	£1,650,000	£235,000	N/A
2009/2010	£1,750,000	£245,000	N/A
2010/2011	£1,800,000	£255,000	N/A
2011/2012	£1,800,000	£50,000	N/A
2012/2013	£1,500,000	£50,000	N/A
2013/2014	£1,500,000	£50,000	N/A
2014/2015	£1,250,000	£40,000	N/A
2015/2016	£1,250,000	£40,000*	£10,000*
2016/2017	£1,000,000	£40,000**	£10,000
2017/2018	£1,000,000	£40,000**	£4,000
2018/2019	£1,030,000	£40,000**	£4,000
2019/2020	£1,055,000	£40,000**	£4,000
2020/2021	£1,073,100	£40,000***	£4,000
2021/2022	£1,073,100	£40,000***	£4,000

\* Transitional rules apply for pre/post 8 July pension input periods.  
\*\* For those with income over £110,000, the annual allowance is reduced by £1 for every £2 that adjusted income exceeds £150,000 subject to a minimum allowance of £10,000.  
\*\*\* For those with income over £200,000, the annual allowance is reduced by £1 for every £2 that adjusted income exceeds £240,000 subject to a minimum allowance of £4,000.

Annual Allowance Charge	
20% - 45% member's tax charge on the amount of total pension input in excess of the annual allowance	
Lifetime Allowance Charge	
55% of excess over lifetime allowance if taken as a lump sum.	
25% of excess over lifetime allowance if taken in the form of income, which is subsequently tax due under PAYE.	

Individual Savings Accounts (ISA)		
	2020/2021	2021/2022
Cash/Stocks & Shares Annual investment limit	£20,000	£20,000
Lifetime ISA	£4,000	£4,000
Help to Buy ISA	£1,000 initially and thereafter £200 pm	£1,000 initially and thereafter £200 pm
Junior ISA and Child Trust Fund	£9,000	£9,000

Capital Gains Tax		
Exemptions	2020/2021	2021/2022
Individuals, estates etc.	£12,300	£12,300
Trusts generally*	£6,150	£6,150
Chattels proceeds (restricted to 5/3 <sup>rd</sup> of the proceeds exceeding limit)	£6,000	£6,000

\*Where a Settlor has created more than one trust, the exemption is spread across all trust, subject to a minimum of 1/5th of the trust annual exemption.

Tax Rates		
Individuals		
- Up to the basic rate limit	10%**	10%**
- Above the basic rate limit	20%**	20%**
Trustees and personal representatives	20%**	20%**

\*\* Except for carried interest and chargeable gains on residential property which are taxed at 18% up to the basic rate limit and 28% above the basic rate limit.

Entrepreneurs' Relief*** Gains taxed at:	10%	10%
Lifetime limit	£1,000,000	£1,000,000

\*\*\*For trading businesses and companies (minimum 5% employee or director shareholding) held for at least one year.

We make every effort to ensure that this information is accurate. It is based on Aviva's interpretation of current law and legislation, and our understanding of HM Revenue & Customs' (HMRC) practice as at March 2021. Both the law and HMRC practice will change from time to time and our interpretation may be subject to challenge by HMRC or other regulatory body. Our comments are provided for general information purposes only. Aviva takes no responsibility for any decisions or actions taken as a result of the information given and should not be relied upon in place of legal or other professional advice. Aviva cannot act as a legal adviser for you or your clients. You should always seek appropriate professional assistance where formal advice is required.

Inheritance Tax		
Rates of Tax on Death Transfers	2020/2021	2021/2022
Nil rate band	£325,000	£325,000
Residence nil rate band	£175,000	£175,000
Rate	40%*	40%*
- Lifetime transfers to and from certain trusts	20%	20%

\*For deaths after 5 April 2013 a lower rate of 36% applies where at least 10% of deceased's net estate is left to charity.

Main Exemptions		
Transfers to;		
- UK-domiciled spouse/civil partner	No limit	No limit
- non-UK-domiciled spouse/civil partner(from UK-domiciled spouse)	£325,000	£325,000
- UK-registered charities	No limit	No limit
Lifetime transfers		
- Annual exemption per donor	£3,000	£3,000
- Small gifts exemption	£250	£250
Wedding/civil partnership gifts by		
- Parent	£5,000	£5,000
- Grandparent	£2,500	£2,500
- Other person	£1,000	£1,000
100% relief: businesses, unlisted/AIM companies, certain farmland/building		
50% relief: certain other business assets		

Corporation Tax		
	2020/2021	2021/2022
Standard rate	19%	19%

Value Added Tax		
	2020/2021	2021/2022
Standard rate	20%	20%
Reduced rate	5%	5%
Annual registration threshold	£85,000	£85,000
Deregistration threshold	£83,000	£83,000

A temporary reduced rate for hospitality and tourism applies at 5% from 6 April 2021 to 30 September 2021 and 12.5% from 1 October 2021 to 31 March 2022.