

# Lymer & Oats: 2021/22 Tables of tax rates and allowances

The current rates and allowances for income tax, corporation tax, capital gains tax, inheritance tax and other taxes are set out below.

## Income tax rates\*\*\*

	Non-savings	Savings	Dividends
£0 - £2,000	-*	0%*	0%**
£0 (or £2,000) - £37,700	20%	20%	7.5%**
£37,701 - £150,000	40%	40%	32.5%**
Over £150,000	45%	45%	38.1%**

\* 0% rate on savings only available up to £5,000 of savings income if non-savings income does not exceed this sum. In addition, a £1,000 personal savings allowance is available to basic rate taxpayers (£500 for higher rate taxpayers and nil for additional rate taxpayers).

\*\* Dividend allowance of £2,000 (unchanged from 2020/21)

\*\*\* These rates apply in England, Wales and Northern Ireland only.

Scottish IT rates: £1-£2,097=19%, £2,098-£12,726=20%, £12,727-£31,092=21%, £31,093-£150,000=41%, over £150,000=46%

## Personal income tax allowances

	2021/22 £	2020/21 £	Increase £
Income tax allowances:			
Personal allowance	12,570	12,500	70
Income limit: personal allowance	100,000	100,000	0
Transferrable tax allowance (married couples)	1,260	1,250	10
Income limit: transferable tax allowance	30,400	30,200	200
Dividend allowance	2,000	2,000	0
Personal savings allowance:			
Basic rate taxpayers	1,000	1,000	0
Higher rate taxpayers	500	500	0
Blind person's allowance	2,520	2,500	20

## Car and fuel benefits in kind

(round reported CO<sub>2</sub> g/km down to find the correct percentage)

Company car benefit charge –

Table 1: For cars registered *before* 6 April 2020 – NEDC – non-hybrid:

CO <sub>2</sub> g/km	Taxable %		CO <sub>2</sub> g/km	Taxable %		CO <sub>2</sub> g/km	Taxable %	
	Petrol	Diesel		Petrol	Diesel		Petrol	Diesel
0	1		85	22	26	130	31	35
1	14	18	90	23	27	135	32	36
51	15	19	95	24	28	140	33	37
55	16	20	100	25	29	145	34	37
60	17	21	105	26	30	150	35	37
65	18	22	110	27	31	155	36	37
70	19	23	115	28	32	160+	37	37
75	20	24	120	29	33			
80	21	25	125	30	34			

Table 2: For cars registered *on or after* 6 April 2020 – WLTP – non-hybrid:

CO <sub>2</sub> g/km	Taxable %		CO <sub>2</sub> g/km	Taxable %		CO <sub>2</sub> g/km	Taxable %	
	Petrol	Diesel		Petrol	Diesel		Petrol	Diesel
0	1		85	21	25	130	30	34
1	13	17	90	22	26	135	31	35
51	14	18	95	23	27	140	32	36
55	15	19	100	24	28	145	33	37
60	16	20	105	25	29	150	34	37
65	17	21	110	26	30	155	35	37
70	18	22	115	27	31	160	36	37
75	19	23	120	28	32	165+	37	37
80	20	24	125	29	33			

Table 3: Hybrid cars with CO<sub>2</sub> <50g/km (otherwise use above):

CO <sub>2</sub> g/km	Electric only mileage range	Reg < 6/4/20	Reg > 6/4/20
0		1	1
1 to 50	130 +	2	1
1 to 50	70 to 129	5	4
1 to 50	40 to 69	8	7
1 to 50	30 to 39	12	11
1 to 50	< 30	14	13

Note – no Diesel supplement applies if car meets Euro standard 6d (RDE2)

Car fuel benefit charge	£24,600
Van benefit charge	£3,500
Zero emissions van benefit charge	£0
Flat rate Van fuel benefit charge	£669

## Approved mileage rates

	Business Miles	Allowance rate per mile
Cars and vans	0 – 10,000	45p
	10,000+	25p
Motor cycles		24p
Bicycles		20p

Excess payments over these rates are taxable. Shortfalls can be claimed as tax relief by the employee. If the employee carries another employee in their own car or van on a business journey, an additional tax-free payment of 5p per mile applies for each passenger.

## Income tax reliefs and incentives: annual limits

	2021/22 £	2020/21 £
Individual Savings Account (ISA)	20,000	20,000
Junior ISA	9,000	9,000
Lifetime ISA	4,000	4,000
Child Trust Fund	9,000	9,000
Enterprise investment scheme (EIS)	2,000,000	2,000,000
Seed Enterprise investment scheme (SEIS)	100,000	100,000
Venture capital trust (VCT)	200,000	200,000
Social investment tax relief (SITR)	1,000,000	1,000,000
Pension scheme allowances:		
Annual allowance	40,000	40,000
Lifetime allowance	1,073,100	1,073,100

## National Insurance Contributions

Item	2021/22	2020/21
Class 1:		
Lower Earnings Limit – LEL (per week)	£120	£120
Primary (employees) Threshold (per week)	£184	£183
Secondary (employers) Threshold (per week)	£170	£169
Upper Earnings Limit – UEL (per week – employees only)	£967	£962
Upper Secondary Threshold (per week – <21yr old)	£967	£962
(per week – <25yr old apprentices)	£967	£962
Employment allowance (per employer)	£4,000	£4,000
Employee’s contributions (£184pw to £967pw +2% over £967pw)	12%	12%
Employer’s Contribution Rates (all earnings over £170pw)	13.8%	13.8%
Class 1A and 1B	13.8%	13.8%
Class 2: Self-employed Contribution (per week)	£3.05	£3.05
Small Profits Threshold (per annum)	£6,515	£6,475
Class 3: Contribution (per week) (voluntary)	£15.40	£15.30
Class 4: Contributions – Upper Profits Limit	£50,270	£50,000
Contributions – Lower Profits Limit	£9,568	£9,500
Contribution Rate (£9,568pa – £50,270pa then 2% over £50,270pa)	9.0%	9.0%

## Apprenticeship Levy

	2021/22	2020/21
Apprenticeship Levy Allowance (per employer)	£15,000	£15,000
Apprenticeship Levy rate (gross employee earnings)	0.5%	0.5%

## Capital taxes: Individuals

	2021/22	2020/21	Increase
	£	£	£/%
Capital gains tax annual exempt amount			
Individuals, etc.	12,300	12,300	0
Capital gains tax standard basic rate	10%*	10%*	0
Capital gains tax standard higher rate	20%*	20%*	0
Business Asset Disposal/ Entrepreneurs' Relief limit	1 million	1 million	0
Business Asset Disposal/ Entrepreneurs' Relief rate	10%	10%	0
Investors' Relief limit	10 million	10 million	0
Investors' Relief rate	10%	10%	0
Inheritance tax threshold (each if couple/partner)	325,000	325,000	0
Residence nil rate band limit	175,000	175,000	0
Inheritance tax rate	40%	40%	0
Lower rate (10%+ of estate left to charity)	36%	36%	0
Stamp Duty/Stamp Duty Reserve Tax**	0.5%	0.5%	0

\* An 8% surcharge applies in respect of residential properties and carried interest

\*\* Duty payable on share purchase over £1,000 only and rounded up to nearest £5

## Capital allowances

	2021/22	2020/21
Plant and machinery: Main rate	18%	18%
Special rate	6%	6%
Annual investment allowance	£1,000,000*	£1,000,000
Structures and Buildings Allowance	3%	3%

\* applies to investments made 1.1.19 to 31.12.21 then rate of £200,000 will apply

## Corporation tax, allowances and reliefs

	2021/22	2020/21
Corporation Tax rate	19%	19%
R&D tax credits SME scheme	230%	230%
R&D SME repayable credit	14.5%	14.5%
R&D Expenditure credit	13%	13%
Patent box	10%	10%
Film, High end TV and videogame tax relief	25%	25%
Diverted Profits Tax	25%	25%
Digital Service Tax	2%	2%
Bank Surcharge	8%	8%
Bank levy: 1.1.21 onwards – equity and LT liabs	0.05%	0.07%
ST liabs	0.1%	0.14%

# Corporation tax on chargeable gains: indexation allowance

Retail prices index (January 1987 = 100.0)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1982	-	-	79.44	81.04	81.62	81.85	81.90	81.90	81.85	82.26	82.66	82.51
1983	82.61	82.97	83.12	84.28	84.64	84.84	85.30	85.68	86.06	86.36	86.67	86.89
1984	86.84	87.20	87.48	88.64	88.97	89.20	89.10	89.94	90.11	90.67	90.95	90.87
1985	91.20	91.94	92.80	94.78	95.21	95.41	95.23	95.49	95.44	95.59	95.92	96.05
1986	96.25	96.60	96.73	97.67	97.85	97.79	97.52	97.82	98.30	98.45	99.29	99.62
1987	100.0	100.4	100.6	101.8	101.9	101.9	101.8	102.1	102.4	102.9	103.4	103.3
1988	103.3	103.7	104.1	105.8	106.2	106.6	106.7	107.9	108.4	109.5	110.0	110.3
1989	111.0	111.8	112.3	114.3	115.0	115.4	115.5	115.8	116.6	117.5	118.5	118.8
1990	119.5	120.2	121.4	125.1	126.2	126.7	126.8	128.1	129.3	130.3	130.0	129.9
1991	130.2	130.9	131.4	133.1	133.5	134.1	133.8	134.1	134.6	135.1	135.6	135.7
1992	135.6	136.3	136.7	138.8	139.3	139.3	138.8	138.9	139.4	139.9	139.7	139.2
1993	137.9	138.8	139.3	140.6	141.1	141.0	140.7	141.3	141.9	141.8	141.6	141.9
1994	141.3	142.1	142.5	144.2	144.7	144.7	144.0	144.7	145.0	145.2	145.3	146.0
1995	146.0	146.9	147.5	149.0	149.6	149.8	149.1	149.9	150.6	149.8	149.8	150.7
1996	150.2	150.9	151.5	152.6	152.9	153.0	152.4	153.1	153.8	153.8	153.9	154.4
1997	154.4	155.0	155.4	156.3	156.9	157.5	157.5	158.5	159.3	159.5	159.6	160.0
1998	159.5	160.3	160.8	<b>162.6</b>	163.5	163.4	163.0	163.7	164.4	164.5	164.4	164.4
1999	163.4	163.7	164.1	165.2	165.5	165.6	165.1	165.5	166.2	166.5	166.7	167.3
2000	166.6	167.5	168.4	170.1	170.7	171.1	170.5	170.5	171.7	171.6	172.1	172.2
2001	171.1	172.0	172.2	173.1	174.2	174.4	173.3	174.0	174.6	174.3	173.6	173.4
2002	173.3	173.8	174.5	175.7	176.2	176.2	175.9	176.4	177.6	177.9	178.2	178.5
2003	178.4	179.3	179.9	181.2	181.5	181.3	181.3	181.6	182.5	182.6	182.7	183.5
2004	183.1	183.8	184.6	185.7	186.5	186.8	186.8	187.4	188.1	188.6	189.0	189.9
2005	188.9	189.6	190.5	191.6	192.0	192.2	192.2	192.6	193.1	193.3	193.6	194.1
2006	193.4	194.2	195.0	196.5	197.7	198.5	198.5	199.2	200.1	200.4	201.1	202.7
2007	201.6	203.1	204.4	205.4	206.2	207.3	206.1	207.3	208.0	208.9	209.7	210.9
2008	209.8	211.4	212.1	214.0	215.1	216.8	216.5	217.2	218.4	217.7	216.0	212.9
2009	210.1	211.4	211.3	211.5	212.8	213.4	213.4	214.4	215.3	216.0	216.6	218.0
2010	217.9	219.2	220.7	222.8	223.6	224.1	223.6	224.5	225.3	225.8	226.8	228.4
2011	229.0	231.3	232.5	234.4	235.2	235.2	234.7	236.1	237.9	238.0	238.5	239.4
2012	238.0	239.9	240.8	242.5	242.4	241.8	242.1	243.0	244.2	245.6	245.6	246.8
2013	245.8	247.6	248.7	249.5	250.0	249.7	249.7	251.0	251.9	251.9	252.1	253.4
2014	252.6	254.2	254.8	255.7	255.9	256.3	256.0	257.0	257.6	257.7	257.1	257.5
2015	255.4	256.7	257.1	258.0	258.5	258.9	258.6	259.8	259.6	259.5	259.8	260.6
2016	258.8	260.0	261.1	261.4	262.1	263.1	263.4	264.4	264.9	264.8	265.5	267.1
2017	265.5	268.4	269.3	270.6	271.7	272.3	272.9	274.7	275.1	275.3	275.8	278.1

Note - no further indexation allowance will apply for disposals after 1 Jan 2018 - the Dec 2017 rate should be used for all subsequent sales.

## VAT

	after 1 April 2021	after 1 April 2020
Standard Rate	20%	20%
Reduced Rate*	5%	5%
Annual Registration Limit	£85,000	£85,000
De-registration Limit	£83,000	£83,000
VAT Fraction - standard rate	1/6	1/6
Maximum turnover to join:		
Cash Accounting Scheme	£1,350,000	£1,350,000
Annual Accounting Scheme	£1,350,000	£1,350,000
Flat Rate Scheme (ex VAT)	£150,000	£150,000

\* Including temporary reduced rate for hospitality and tourism sector from 15 July 20 to 30 September 21. This rises to 12.5% from 1 October 21 to 31 March 22.

## Stamp Duty Land Tax

Value of property (£)	Stamp duty rate (%)
<i>Residential property**</i>	<i>not buy to let</i>
0 - 125,000	0*
125,001 - 250,000	2*
250,001 - 925,000	5*
925,001 - 1.5m	10*
remainder (over £1.5m)	12*

\* 3% supplement on additional dwelling purchased over £40,000.

\*\* For an initial temporary relief period (1 April 21 - 30 June 21) these rates are reduced to <£500K = 0%, £500K - £925K = 5% (above this normal rates apply). For a further temporary relief period (1 July 21 - 30 Sept 21) rates are reduced to £0 - £250K = 0%, >£250K - £925K = 5% (above this normal rates apply).

Value of property (£)	Stamp duty rate (%)
<i>Non-residential property</i>	
up to 150,000	0
150,001 - 250,000	2
over 250,000	5

## Annual Tax on Enveloped Dwellings

Value of property (£)	ATED charge (£)
500,000 - 1,000,000	3,700
1,000,001 - 2,000,000	7,500
2,000,001 - 5,000,000	25,300
5,000,001 - 10,000,000	59,100
10,000,001 - 20,000,000	118,600
20,000,000	237,400

## Scottish Land and Buildings Transactions Tax

Value of property (£)	LBTT rate % (>1 Apr 21)
<i>Residential property</i> **	
0 – 145,000*	0*
145,001 – 250,000	2*
250,001 – 325,000	5*
325,001 – 750,000	10*
Over 750,000	12*
* 4% supplement on additional dwelling purchased priced at over £40,000.	
** LBTT relief for 1 <sup>st</sup> time purchasers up to £175,000.	
<i>Non-residential property (on or after 25 Jan 19)</i>	
0 – 150,000	0
150,001 – 250,000	1
over 250,000	5

## Welsh Land Transaction Tax

Value of property (£)	LTT rate %
<i>Residential property</i> **	
0 – 180,000*	0*
180,001 – 250,000	3.5*
250,001 – 400,000	5*
400,001 – 750,000	7.5*
750,001 – 1,500,000	10*
Over 1,500,000	12*
* 4% supplement on additional dwelling (was 3% before 22 December 20)	
** LBTT relief for 1 <sup>st</sup> time purchasers up to £175,000. Effective 27 July 20 to 30 June 21 reduced rates apply for purchases up to £250K = 0%, (above rates apply thereafter)	
<i>Non-residential property</i>	
0 – 225,000	0
225,001 – 250,000	1
250,001 – 1,000,000	5
over 1,000,000	6

## Environmental taxes

	2021/22 (2020/21)
Landfill tax (England and NI):	
Standard rate (per tonne)	£96.70 (£94.15)
Lower rate (inactive waste per tonne)	£3.10 (£3.00)
Aggregates levy (per tonne)	£2.00 (£2.00)
Climate Change Levy (main rates):	
Electricity	0.775p/kwh
Natural Gas	0.465p/kwh
LPG	2.175p/kg

## Insurance Premium Tax

Standard Rate	12%
Higher Rate (travel, appliances, some vehicles)	20%

## Air Passenger Duty

Band	Reduced rate (lowest class of travel)	Standard rate (other than lowest class of travel)	Higher rate
A (0–2000 miles)	£13	£26	£78
B (>2000 miles)	£82	£180	£541

## HMRC interest rates

	Late Payment (%)	Repayment (%)
All taxes (since 7/04/20)	2.6	0.5
Average Official rate for 2021/22	2.0%	

(These rates change occasionally – see the HMRC website for details)

## Tax credits:

### Working tax credit

	£ per year
Basic element	2,005.00
Couple and lone parent element	2,060.00
30 hour element	830.00
Disability element	3,240.00
Severe disability element	1,400.00
Childcare element:	£ per week
Maximum eligible cost for 2 or more children	300.00
Maximum eligible cost for 1 child	175.00
Max. percent of eligible costs covered	70%

### Child tax credit

	£ per year
Family element	545.00
Child element (each child)	2,845.00
Disabled child element	3,435.00
Severe disabled child element	4,825.00

### Tapering

	£
Income thresholds & withdrawal rates	
First income threshold	6,565.00
First withdrawal rate	41%
First threshold for child tax credit entitlement only (where no WTC claimed)	16,480.00
Income rise disregard	2,500.00
Income fall disregard	2,500.00

### Pension credit

	£
Standard Minimum income guarantee credit: (per week)	
Single	177.10
Couple	270.30
Capital:	
Amount disregard	10,000.00
Amount disregard – care homes	10,000.00
Deemed income:	
£1 per week for every £500 (or part thereof) in excess of these amounts	

## Personal benefit rates

	2021/22	2020/21
	£	£
Old State Pension (per week):		
- Single Person (based on own NIC)	137.60	134.25
- Single Person (based on spouse's NIC)	82.45	80.45
- Non-contributory (over 80 pension)	82.45	80.45
New State Pension	179.60	175.20
Child Benefit (per week):		
- First Eligible Child	21.15	21.05
- Each Extra Child	14.00	13.95
- Guardian allowance	18.00	17.90
Statutory Sick Pay (per week):		
- normally receive £120 per week or more	96.35	95.85
Statutory Maternity Pay (per week):		
Average Weekly Earnings of £120 or over		
- Higher Weekly Rate (first 6 weeks)	90% of weekly earnings	
- Standard Rate (remaining 33 weeks)	151.97	151.20
Statutory Paternity/Adoption Pay (per week)	151.97	151.20
Job Seekers Allowance (income based – per week):		
- Single Person (over 25)	74.20	74.35
- Married Couple (both over 18)	117.40	116.80
National Living/Minimum Wage (per hour from Apr 21):		
- ages 23 and over	£8.91	£8.72
- ages 21 to 22	£8.36	£8.20
- ages 18 to 20 (Development rate)	£6.56	£6.45
- ages <18 (Young worker rate)	£4.62	£4.55
- Apprentice rate (under 19 or in first year)	£4.30	£4.15
Employment & Support Allowance (per week):		
- Single under 25 (first 13 weeks)	59.20	58.90
- Single 25 and over (first 13 weeks)	74.70	74.35
Universal Credit (per month – to Sept 21):		
- Single under 25	344.00	342.72
- Single 25 and over	411.51	409.89
- Couple one at least over 25	596.58	594.04
- Child element:		
- First child (born > 6.5.17)	237.08	235.83
- Second/subsequent child	237.08	235.83
Benefit Cap (per annum) (inside Greater London totals in brackets)		
- Single claimant (no children)	13,400.00 (15,410.00)	
- Single claimant (children living with them)	20,000.00 (23,000.00)	
- Couple (with or without children)	20,000.00 (23,000.00)	

These rates are selected from a complex list of benefits available based on personal circumstances and therefore are provided in basic outline only – and rates are subject to regular changes. For a full list of benefits see the [www.gov.uk](http://www.gov.uk) website.

## Duty rates

	Duty	Typical Item
<b>Cigarettes</b>	16.5% of retail price + £244.78 per thousand	packet of 20
<b>Cigars</b>	£305.32/kg	packet of 5
<b>Hand rolling tobacco</b>	£271.40/kg	30g
<b>Beer</b>	19.08p/litre	pint
	8.42p for low strength or an extra 5.69p for high strength apply	
<b>Wine</b>		
>22% abv	£28.74/litre pure alcohol	
15%–22% abv	£3.9672/litre	75cl bottle
5.5%–15% abv	£2.9757/litre	
4%–5.5% abv	£1.2608/litre	
1.2%–4% abv	91.68p/litre	
<b>Sparkling wine</b>		
5.5%–8.5% abv	£2.8810/litre	75cl bottle
8.5%–15% abv	£3.8115/litre	
<b>Cider/Perry</b>		
Still		
1.2%–6.9% abv	40.38p/litre	75cl bottle
6.9%–7.5% abv	50.71p/litre	
7.5%–8.5% abv	61.04p/litre	
Sparkling		
1.2%–5.5% abv	40.38p/litre	75cl bottle
5.5%–8.5% abv	£2.881/litre	
<b>Spirits</b>	£28.74/litre of pure alcohol	70cl bottle
<b>Fuel Duties</b>		
Unleaded/Heavy oil (Diesel)/Bio-diesel & bioethanol		
	57.95p/litre	
Bio-diesel for non-road use	11.14p/litre	
LPG	31.61p/kg	
Other Natural gas (road fuel)	24.7p/kg	
Fuel Oil	10.7p/litre	
Aviation gasoline	38.2p/litre	