A Appendix A: 2026/27 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 on taxable incomes

	Non-savings***	Savings	Dividends
£0 – £5,000	–*	0%*	**
£0 (or £5,000) – £37,700	20%	20%	10.75%**
£37,701 – £125,140	40%	40%	35.75%**
Over £125,140	45%	45%	39.35%**

* 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 £500 (unchanged from 2025/26)
*** These rates apply in England, Wales and Northern Ireland only.
Scottish IT rates: £1–£3,967=19%, £3,968–£16,956=20%, £16,957–£31,092=21%, £31,093–£62,430=42%, £62,431–£125,140=45% over £125,140=48%

Personal income tax allowances

	2026/27 £	2025/26 £	Increase £
Income tax allowances:			
Personal allowance	12,570	12,570	0
Income limit: personal allowance	100,000	100,000	0
Transferrable tax allowance (married couples)	1,260	1,260	0
Dividend allowance	500	500	0
Personal savings allowance:			
Basic rate taxpayers	1,000	1,000	0
Higher rate taxpayers	500	500	0
Blind person's allowance	3,250	3,130	120
Student loan thresholds (9% repayment rate)			
Plan 1 (pre-Sept 2012)	26,900	26,065	835
Plan 2 (Sept 2012 to Aug 2023)	29,385	28,470	915
Plan 5 (post Sept 2023)	25,000	25,000	–
Postgraduate Loan (6% repayment rate)	21,000	21,000	0

Car and fuel benefits in kind

(round reported CO_2 g/km down to find the correct percentage)

Company car benefit charge –

Table 1: For *non-hybrid* cars or where a *hybrid* car has CO_2 emissions more than 50g/km:

CO_2 g/km	Taxable % Petrol	Taxable % Diesel	CO_2 g/km	Taxable % Petrol	Taxable % Diesel	CO_2 g/km	Taxable % Petrol	Taxable % Diesel
0	4		80	22	26	120	30	34
1	16	20	85	23	27	125	31	35
51	17	21	90	24	28	130	32	36
55	18	22	95	25	29	135	33	37
60	19	23	100	26	30	140	34	37
65	20	24	105	27	31	145	35	37
70	21	25	110	28	32	150	36	37
75	21	25	115	29	33	155+	37	37

Note – no Diesel supplement applies if car meets Euro standard 6d (RDE2) and car registration dates do not affect charge rate from 2022/23. Hybrid cars should use the petrol rates listed whether they are petrol/electric or diesel/electric hybrids.

Table 2: Fully electric or hybrid cars with CO_2 <51g/km (otherwise use above):

CO_2 g/km	Electric only mileage range	Taxable %
0		4
1 to 50	130 +	4
1 to 50	70 to 129	7
1 to 50	40 to 69	10
1 to 50	30 to 39	14
1 to 50	< 30	16

	£
Car fuel benefit charge	29,200
Van benefit charge	4,170
Flat rate Van fuel benefit charge	798

Approved mileage rates

	Business Miles	Allowance rate per mile
Cars and vans	0 – 10,000	55p*
	10,000+	25p
Motor cycles		24p
Bicycles		20p

* Rate for 2026/27 only – to revert to 45p in 2027/28
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

	2026/27 £	2025/26 £
Individual Savings Account (ISA)	20,000	20,000
Junior ISA	9,000	9,000
Lifetime ISA	4,000	4,000
Enterprise investment scheme (EIS)	2,000,000	2,000,000
Seed Enterprise investment scheme (SEIS)	200,000	200,000
Venture capital trust (VCT)	200,000	200,000
Social investment tax relief (SITR)	1,000,000	1,000,000
Pension scheme allowances:		
Annual allowance	60,000	60,000
Money purchase annual allowance	10,000	10,000
Adjusted income limit	260,000	260,000

Apprenticeship Levy

	2026/27	2025/26
Apprenticeship Levy Allowance (per employer)	£15,000	£15,000
Apprenticeship Levy rate (gross employee earnings)	0.5%	0.5%

National Insurance Contributions

Item	2026/27	2025/26
Class 1:		
Lower Earnings Limit – LEL (per week)	£129	£125
Primary (employees) Threshold (per week)	£242	£242
Primary (directors) Threshold (per annum)	£12,570	£12,570
Secondary (employers) Threshold (per week)	£96	£96
Upper Earnings Limit – UEL (per week – employees only)	£967	£967
Upper Secondary Threshold		
(per week – <21yr old)	£967	£967
(per week – <25yr old apprentices)	£967	£967
Employment allowance (per employer)	£10,500	£10,500
Employee's contributions (£242pw to £967pw +2% over £967pw)	8%	8%
Employer's Contribution Rates (all earnings over £96pw)	15%	15%
Class 1A and 1B	15%	15%
Class 3: Contribution (per week) (voluntary)	£18.40	£17.75
Class 4: Contributions – Upper Profits Limit	£50,270	£50,270
Contributions – Lower Profits Limit	£12,570	£12,570
Contribution Rate	6%	6%
(£12,570pa – £50,270pa then 2% over £50,270pa)		

Tax credits:

Pension credit

	£
Standard Minimum income guarantee credit: (per week)	
Single	238.00
Couple	363.25
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	

Capital taxes: Individuals

	2026/27 £	2025/26 £	Increase £/%
Capital gains tax annual exempt amount			
Individuals, etc.	3,000	3,000	0
Capital gains tax standard basic rate	18%	18%*	0
Capital gains tax standard higher rate	24%*	24%*	0
Business Asset Disposal/			
Relief limit	1 million	1 million	0
Relief rate	18%	14%	4
Investors' Relief limit	1 million	1 million	0
Investors' Relief rate	18%	14%	4
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

* Rates changed for transactions occurring after 30 October 2024 following 2024 Autumn Budget. A charge at 32% applies from 25/26 onwards if gains relate to 'carried interest'
** Duty payable on share purchase over £1,000 only and rounded up to nearest £5

Capital allowances

	2026/27	2025/26
Plant and machinery: Main rate	14%	18%
Special rate	6%	6%
Annual investment allowance	£1,000,000	£1,000,000
Structures and Buildings Allowance	3%	3%

Corporation tax, allowances and reliefs

	2026/27	2025/26
Main Corporation Tax rate (>£250,000 profits)	25%	25%
Small profits rate (<£50,000 profits)	19%	19%
Marginal Relief standard fraction	3/200	3/200
R&D Intensive SME repayable credit	14.5%	14.5%
R&D Expenditure credit	20%	20%
Patent box reduced rate	10%	10%
Diverted Profits Tax	31%	31%
Digital Service Tax	2%	2%
Bank Surcharge (Group allowance £100m)	3%	3%
Bank levy: equity and LT liabs	0.05%	0.05%
ST liabs	0.1%	0.1%

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	**162.6**	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 2026	after 1 April 2025
Standard Rate	20%	20%
Reduced Rate*	5%	5%
Annual Registration Limit	£90,000	£90,000
De-registration Limit	£88,000	£88,000
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

Stamp Duty Land Tax

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

* 5% supplement on additional dwelling purchased over £40,000 and 2% surcharge for most non-UK residents for SDLT purposes.
** discount applies if first home – no SDLT up to £300,000 then 5% to £500,000 (no relief over £500,000)

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

Annual Tax on Enveloped Dwellings

Value of property (£)	ATED charge (£)
0 – 500,000	0
500,000 – 1,000,000	4,600
1,000,001 – 2,000,000	9,450
2,000,001 – 5,000,000	32,200
5,000,001 – 10,000,000	75,450
10,000,001 – 20,000,000	151,450
20,000,000	303,450

Scottish Land and Buildings Transactions Tax

Value of property (£)	LBTT rate % (>1 Apr 21)
*Residential property***	
0 – 145,000*	0*
145,001 – 250,000	2*
250,001 – 325,000	5*
325,001 – 750,000	10*
Over 750,000	12*

* 8% supplement on additional dwellings purchased priced at over £40,000 from 5 December 2024.
** LBTT relief for 1st time purchasers up to £175,000.

Non-residential property (on or after 25 Jan 19)	
0 – 150,000	0
150,001 – 250,000	1
over 250,000	5

Welsh Land Transaction Tax

Value of property (£)	LTT rate %
*Residential property**	
0 – 225,000	0
225,001 – 400,000	6
400,001 – 750,000	7.5
750,001 – 1,500,000	10
Over 1,500,000	12

* supplement on additional dwellings on a sliding scale from 5% (on portion up to an including £180,000) to 17% (on portion over £1,500,000)

Non-residential property	
0 – 225,000	0
225,001 – 250,000	1
250,001 – 1,000,000	5
over 1,000,000	6

Environmental taxes

	2026/27 (2025/26)
Landfill tax (England and NI*):	
Standard rate (per tonne)	£130.75 (£126.15)
Lower rate (inactive waste per tonne)	£8.65 (£4.05)
Aggregates levy (per tonne)	£2.16 (£2.08)
Climate Change Levy (main rates):	
Electricity and Natural Gas	0.801p/kwh
LPG	2.175p/kg
Plastic packaging tax	£228.82 per tonne

* Landfill taxes in Scotland and Wales are set separately by the Scottish and Welsh Parliaments respectively – they mirror the same rates as given here this year

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
Domestic	£8	£16	£142
A (0–2000 miles)	£15	£32	£142
B (2001–5500 miles)	£102	£244	£1,097
C (>5500 miles)	£106	£253	£1,141

HMRC interest rates

	Late Payment (%)	Repayment (%)
All taxes (since 9/01/26)	7.75	2.75

Average Official rate for 2026/27 3.75%

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

Personal benefit rates

	2026/27 £	2025/26 £
Old State Pension (per week):		
– Single Person (based on own NIC)	184.90	176.45
– Single Person (based on spouse's NIC)	110.75	105.70
– Non-contributory (over 80 pension)	110.75	105.70
New State Pension (per week)	241.30	230.25
Child Benefit (per week):		
– First Eligible Child	27.05	26.05
– Each Extra Child	17.90	17.25
– Guardian allowance	22.95	22.10
Statutory Sick Pay (per week):		
– if normally receive £125 per week or more	123.25	118.75
Statutory Maternity Pay (per week):		
Average Weekly Earnings of £125 or over		
– Higher Weekly Rate (first 6 weeks)	90% of weekly earnings	
– Standard Rate (remaining 33 weeks)	194.32	187.18
Statutory Paternity/Adoption Pay (per week)	194.32	187.18
Job Seekers Allowance (income based – per week):		
– Single Person (over 25)	95.55	92.05
– Married Couple (both over 18)	150.15	144.65
National Living/Minimum Wage (per hour from Apr 26):		
– ages 21 and over	12.71	12.21
– ages 18 to 20 (Development rate)	10.85	10.00
– ages <18 (Young worker rate)	8.00	7.55
– Apprentice rate (under 19 or in first year)	8.00	7.55
Employment & Support Allowance (per week):		
– Single under 25 (first 13 weeks)	75.65	72.90
– Single 25 and over (first 13 weeks)	95.55	92.05
Universal Credit (per month):		
– Single under 25	338.58	316.98
– Single 25 and over	424.90	400.14
– Couple one at least over 25	666.97	628.10
– Child element:		
– – First child (born > 6.5.17)	351.88	339.00
– – Second/subsequent child	303.94	292.81
Benefit Cap (per annum) (inside Greater London totals in brackets)		
– Single claimant (no children)	14,753.00	(16,967.00)
– Single claimant (children living with them)	22,020.00	(25,323.00)
– Couple (with or without children)	22,020.00	(25,323.00)

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 website.