

SADOFSKYS



CHARTERED ACCOUNTANTS

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2026/27 **TAX TABLES**



INCOME TAX	26/27	25/26
Main personal allowances and reliefs		
Personal allowance*	£12,570	£12,570
Marriage/civil partners' transferable allowance	£1,260	£1,260
Blind person's allowance	£3,250	£3,130
Rent-a-room relief	£7,500	£7,500
Property allowance and trading allowance (each)	£1,000	£1,000
<i>*Personal allowance reduced by £1 for every £2 of adjusted net income over £100,000</i>		

UK taxpayers excluding Scottish taxpayers'
non-dividend, non-savings income

20% basic rate on taxable income up to	£37,700	£37,700
40% higher rate on next slice of income over	£37,700	£37,700
45% additional rate on income over	£125,140	£125,140

Scottish taxpayers – non-dividend, non-savings income

19% starter rate on taxable income up to	£3,967	£2,827
20% basic rate on next slice up to	£16,956	£14,921
21% intermediate rate on next slice up to	£31,092	£31,092
42% higher rate on next slice up to	£62,430	£62,430
45% advanced rate on next slice up to	£125,140	£125,140
48% top rate on income over	£125,140	£125,140

All UK taxpayers

Starting rate at 0% on band of savings income up to**		£5,000	£5,000
Personal savings allowance at 0%:	Basic rate	£1,000	£1,000
	Higher rate	£500	£500
	Additional rate	£0	£0
Dividend allowance at 0%:	All individuals	£500	£500
Tax rates on dividend income:	Basic rate	10.75%	8.75%
	Higher rate	35.75%	33.75%
	Additional rate	39.35%	39.35%
Trusts: Income exemption generally		£500	£500
Rate applicable to trusts:	Dividends	39.35%	39.35%
	Other income	45%	45%

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

High Income Child Benefit Charge

1% of benefit per £200 of adjusted net income between £60,000 and £80,000

STATE PENSIONS	Annual	Weekly
New state pension	£12,547.60	£241.30
Basic state pension – single person*	£9,614.80	£184.90
Basic state pension – spouse/civil partner*	£5,759.00	£110.75
<i>*State pension age reached before 6/4/16</i>		

REGISTERED PENSIONS	26/27	25/26
Lump sum and death benefit allowance	£1,073,100	£1,073,100
Lump sum allowance	£268,275	£268,275
Money purchase annual allowance	£10,000	£10,000
Annual allowance*	£60,000	£60,000
Annual allowance charge on excess is at applicable tax rate(s) on earnings		
<i>*Reduced by £1 for every £2 of adjusted income over £260,000 to a minimum of £10,000, subject to threshold income being over £200,000</i>		

TAX INCENTIVISED INVESTMENTS	26/27	25/26
Total Individual Savings Account (ISA) limit, excluding Junior ISAs (JISAs)	£20,000	£20,000
Lifetime ISA	£4,000	£4,000
JISA/Child Trust Fund	£9,000	£9,000
Venture Capital Trust (VCT) up to £200,000	20%	30%
Enterprise Investment Scheme (EIS) at 30%*	£2,000,000	£2,000,000
EIS eligible for CGT deferral relief	No limit	No limit
Seed EIS (SEIS) at 50%	£200,000	£200,000
SEIS CGT reinvestment relief	50%	50%
<i>*Above £1,000,000 investment must be in knowledge-intensive companies</i>		

CAPITAL GAINS TAX	26/27	25/26
Annual exemption: Individuals, estates, etc	£3,000	£3,000
Trusts generally	£1,500	£1,500
Below UK higher rate band Tax rate	18%	18%
Within UK higher and additional rate bands Tax rate	24%	24%
Carried interest (all tax bands) Tax rate	N/A	32%
Trusts and estates Tax rate	24%	24%
Business Asset Disposal Relief		
18% (14% 25/26) on lifetime limit of £1,000,000 for trading businesses and companies (minimum 5% participation) held for at least 2 years		

CORPORATION TAX		Profits	Effective rate	Diverted profits
Year to 31/3/27 and 31/3/26	£0–£50,000		19.0%	31%
	£50,001–£250,000		26.5%	
	£250,001 and above		25.0%	
Loans to participators			33.75%	

NATIONAL INSURANCE CONTRIBUTIONS

Class 1	Employee	Employer
NICs rate	8%	15%
No NICs for employees generally on the first	£242 pw	£96 pw
No NICs for younger employees* on the first	£242 pw	£967 pw
NICs rate charged up to	£967 pw	No limit
2% NICs on earnings over	£967 pw	N/A

**No employer NICs on the first £967 pw for employees generally under 21 years, apprentices under 25 years and veterans in first year of civilian employment. No employer NICs on the first £481 pw for employees at freeports and investment zones in the first 36 months of employment*

Employment allowance £10,500

Per business – not available if sole employee is a director

Class 1A Employer On most employees' and directors' taxable benefits 15%

Class 2 Self-employed Flat rate per week (voluntary) £3.65 (£189.80 pa)
Small profits threshold £7,105

Class 4 Self-employed On annual profits of £12,570 to £50,270: 6%
Over £50,270: 2%

Class 3 Voluntary flat rate per week £18.40 (£956.80 pa)

CAR BENEFITS

Taxable amount based on original list price and CO₂ emissions in g/km.

Zero emission cars 4%

Petrol and diesel hybrids with CO₂ emissions 1–50g/km

Range – electric-only miles	<30	30–39	40–69	70–129	130+
	16%	14%	10%	7%	4%

All non-diesel cars over 50g/km CO ₂	51–54	55 & over
	17%	18%*–37%

**Increased by 1% increments up to the maximum 37% (at 155g/km and over)*

Diesels not meeting RDE2: add 4% to non-diesel rates, up to 37%

Fuel benefit – taxable amount for private use	26/27	25/26
CO ₂ % charge used for car benefit multiplied by	£29,200	£28,200

VANS – FOR PRIVATE USE	26/27	25/26
Zero emission: chargeable amount	Nil	Nil
Other vans: chargeable amount	£4,170	£4,020
Fuel: chargeable amount	£798	£769

STAMP DUTIES AND PROPERTY TRANSACTION TAXES

Stamp Duty and SDRT*: Stocks and marketable securities 0.5%

**0% SDRT for transfers of newly UK listed securities from 27 November 2025*

Additional residential and all corporate residential properties

£40,000 or more – add 5% to SDLT rates, 8% to LBTT and 5% to most LTT rates

England & N Ireland – Stamp Duty Land Tax (SDLT) on slices of value

Residential property	%	Commercial property [†]	%
Up to £125,000	0	Up to £150,000	0
£125,001–£250,000	2	£150,001–£250,000	2
£250,001–£925,000	5	Over £250,000	5
£925,001–£1,500,000	10		
Over £1,500,000	12		

First time buyers: 0% on first £300,000 for properties up to £500,000

Non-resident purchasers: 2% surcharge on properties £40,000 or more

Residential property bought by companies etc over £500,000: 17% of total consideration, subject to certain exemptions

Scotland – Land and Buildings Transaction Tax (LBTT) on slices of value

Residential property	%	Commercial property [†]	%
Up to £145,000	0	Up to £150,000	0
£145,001–£250,000	2	£150,001–£250,000	1
£250,001–£325,000	5	Over £250,000	5
£325,001–£750,000	10		
Over £750,000	12		

First time buyers: 0% on the first £175,000

Wales – Land Transaction Tax (LTT) on slices of value

Residential property	%	Commercial property [†]	%
Up to £225,000	0	Up to £225,000	0
£225,001–£400,000	6	£225,001–£250,000	1
£400,001–£750,000	7.5	£250,001–£1,000,000	5
£750,001–£1,500,000	10	Over £1,000,000	6
Over £1,500,000	12		

†0% for freeport and investment zone qualifying property

INHERITANCE TAX

Nil-rate band*/residence nil-rate band[†] £325,000/£175,000

Rate of tax on excess/if at least 10% net estate left to charity 40%/36%

Lifetime transfers to and from certain trusts 20%

Non-long-term resident spouse/civil partner exemption £325,000

Reliefs	Businesses, unlisted shares, some farms	AIM shares	Certain other assets
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26/27	100% up to a maximum of £2,500,000*, with 50% thereafter	50%	50%
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25/26	100%	100%	50%
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**Up to 100% of the unused proportion can be claimed on the surviving spouse's/civil partner's death*

†Estates over £2,000,000: reduced by 50% of the excess over £2,000,000

Annual exempt gifts of: £3,000 per donor £250 per donee

Tapered tax charge on lifetime gifts between 3 and 7 years of death

Years 0–3 full 40% rate, then 8% less for each year until 0% at 7 or more years.

MAIN CAPITAL AND OTHER ALLOWANCES

Plant & machinery (P&M) 100% annual investment allowance (1st year)	£1,000,000
P&M allowance for companies (1st year)*	100%
Special rate P&M allowance for companies (1st year)*	50%
P&M allowance for all businesses (1st year) from 1 January 2026*	40%
P&M**	14%
Patent rights and know-how**	25%
Special rate P&M e.g. long-life assets and integral features of buildings**	6%
Structures and buildings (straight line)†	3%

Motor cars

CO ₂ emissions of g/km	0*	1–50	Over 50
Capital allowance	100% first year	18% pa**	6% pa**

**New and unused only **Annual reducing balance †10% for freeports and investment zones*

Research and development (R&D) – capital expenditure

R&D merged scheme	100%
R&D intensive SME payable credit	20%
R&D intensive SME payable credit	14.5%
R&D intensive SME intensity ratio	30%

VALUE ADDED TAX

Standard rate	20%	Domestic fuel	5%
Installation of energy saving materials (except Northern Ireland)			0%
Registration level	£90,000	Deregistration	£88,000
Flat rate scheme turnover limit			£150,000
Cash and annual accounting schemes turnover limit			£1,350,000

MAIN DUE DATES FOR TAX PAYMENT

Income tax, NICs and capital gains tax – Self assessment

31 January in tax year	}	Normally 50% of previous year's income tax
Following 31 July		(less tax deducted at source) and class 4 NICs
Following 31 January		Balance of income tax, class 4 NICs and CGT, plus class 2 NICs paid voluntarily

Inheritance tax on death:	Normally 6 months after end of month of death
Lifetime transfer 6 April–30 September:	30 April in following year
Lifetime transfer 1 October–5 April:	6 months after end of month of transfer

Capital gains tax – residential UK property

Report and pay within 60 days of completion of conveyance of the property

Corporation tax – Self assessment

- Profits under £1,500,000: 9 months + 1 day after end of accounting period
- Profits £1,500,000–£20,000,000: normally payable in 7th, 10th, 13th and 16th months after start of the accounting period
- Profits over £20,000,000: normally payable in 3rd, 6th, 9th and 12th months after start of the accounting period
- Growing companies: no instalments where profits are £10,000,000 or less and the company was not a large company for the previous year.