

## INDIVIDUAL SAVINGS ACCOUNTS

	2024/25	2023/24
Overall investment limit	£20,000	£20,000
Lifetime ISA (counts towards overall limit)	£4,000	£4,000
Junior account investment limit	£9,000	£9,000
Child Trust Fund subscription limit	£9,000	£9,000
UK ISA investment limit (currently under consultation)	£5,000	n/a

## INVESTMENT RELIEFS

	Investment limits	Income tax relief rate
Enterprise Investment Scheme	£1,000,000	30%
Venture capital trusts	£200,000	30%
Seed Enterprise Investment Scheme	£200,000	50%

## CAPITAL GAINS TAX

	2024/25	2023/24
<b>Individuals</b>		
Exemption	£3,000	£6,000
Basic rate - residential property	18%	18%
Higher rate - residential property	24%	28%
Basic rate - other	10%	10%
Higher rate - other	20%	20%
<b>Trusts</b>		
Exemption	£1,500	£3,000
Rate - non-residential / residential	20% / 24%	20% / 28%

## INHERITANCE TAX

<b>Gifts</b>		
Annual gifts per donor		£3,000
Small gifts per donee		£250
<b>Gifts on marriage or civil partnership</b>		
Parent (each) £5,000		£5,000
Grandparents / remoter ancestor and spouse		£2,500
Others		£1,000
	2024/25	2023/24
Nil-rate band	£325,000	£325,000
Residence nil-rate band	£175,000	£175,000
Rate of tax on excess	40%	40%
Reduced rate (for estates giving 10% or more to charity)	36%	36%
Chargeable lifetime transfers	20%	20%

## CAPITAL ALLOWANCES

Annual investment allowance	Rate
Max £1,000,000 per annum	100%
<b>Writing down allowances</b>	
Main pool	18%
Special rate pool	6%
<b>Motor cars</b>	
New cars (with 0g/km CO2)	100%
Other cars (up to 50g/km CO2)	18%
Other cars (above 50g/km CO2)	6%
New electric vans	100%
<b>Structures and buildings (straight-line basis)</b>	
Writing down allowance	3%
<b>Companies only</b>	
First year allowance (main pool)	100%
First year allowance (special pool)	50%

## RESEARCH AND DEVELOPMENT TAX CREDITS

	2024/25	2023/24
SME rate	N/A	186%
SME intensive deduction rate	186%	N/A
SME repayable credit	N/A	10%
SME intensive repayable credit	14.5%	14.5%
R&D intensive ratio	30%	40%
R&D expenditure credit	N/A	20%
R&D merged scheme expenditure credit	20%	N/A

## FIXED-RATE DEDUCTIONS

<b>Unincorporated businesses</b>	
<b>Vehicle expenditure</b>	
Vehicle	Flat rate per mile with simplified expenses
Cars and goods vehicles first 10,000 miles	45 pence
Cars and goods vehicles after 10,000 miles	25 pence
Motorcycles	24 pence
<b>Use of home as office</b>	
Hours of business use per month	Flat rate per month
25 to 50	£10
51 to 100	£18
101 and more	£26

## CAR AND VAN BENEFIT

Car benefit	see below % of list price		
Car fuel benefit			£27,800
Van benefit			£3,960
Van fuel benefit			£757
CO2 emissions (g/km)	Electric range (miles)	Diesel*	Other fuel
0	N/A		2%
1-50	>130	6%	2%
1-50	70 - 129	9%	5%
1-50	40 - 69	12%	8%
1-50	30 - 39	16%	12%
1-50	<30	18%	14%
51-54	N/A	19%	15%
Each additional 5		+1%	+1%
Diesel 140 and over / other fuel 160 and over		37%	37%

\*Any diesel vehicle that meets the new RDE2 (Euro6d) test standards is exempt from the 4% surcharge

## TAX-FREE MILEAGE ALLOWANCE

Type of vehicle	Rate per business mile 2024/25
Car	45 pence for the first 10,000 business miles in a tax year, then 25 pence for each subsequent mile
Motorcycle	24 pence
Cycle	20 pence

The authorised rate for private cars applies to tax only, for National Insurance purposes the rate is 45 pence per mile regardless of mileage

## ADVISORY FUEL RATES

These rates apply from 1 March 2024. You can use the previous rates for up to 1 month from the date the new rates apply. Rates updated by HMRC quarterly

Engine size	Petrol - amount per mile	LPG - amount per mile
1400cc or less	13 pence	11 pence
1401cc to 2000cc	15 pence	13 pence
Over 2000cc	24 pence	21 pence

Engine size	Diesel - amount per mile
1600cc or less	12 pence
1601cc to 2000cc	14 pence
Over 2000cc	19 pence

Hybrid cars are treated as either petrol or diesel for this purpose

### Advisory electricity rate

The advisory electricity rate for fully electric cars is 9 pence per mile from 1 March 2024 (updated by HMRC quarterly)



INSTITUTE OF  
FINANCIAL  
ACCOUNTANTS\*  
A MEMBER OF THE IPA GROUP

# TAX FACTS 2024

Institute of Financial Accountants

CS111, Clerkenwell Workshops,  
27-31 Clerkenwell Close,  
Farringdon, London, EC1R 0AT

General enquiries: [mail@ifa.org.uk](mailto:mail@ifa.org.uk)

## INCOME TAX ALLOWANCES

	2024/25	2023/24
Personal allowance	£12,570	£12,570
Personal allowance income limit	£100,000	£100,000
Transferable marriage allowance	£1,260	£1,260
Married couple's allowance (relief @ 10%) (Either partner born before 6.4.1935)	£11,080	£10,375
- Minimum amount	£4,280	£4,010
- Income limit	£37,000	£34,600
Blind person's allowance	£3,070	£2,870
Dividend allowance	£500	£1,000

Personal savings allowance			
Basic rate taxpayers	£1,000	£1,000	
Higher rate taxpayers	£500	£500	

Rates and bands					
Band	Rate	2024/25	Rate	2023/24	Rate
		Dividend rate		Dividend rate	
£0 - £5,000 (Starting rate - savings)	0%	£0 - £5,000 (Starting rate - savings)	0%		
£0 - £37,700	20%	8.75%	£0 - £37,700	20%	8.75%
£37,701 - £125,140	40%	33.75%	£37,701 - £150,000	40%	33.75%
Over £125,140	45%	39.35%	Over £150,000	45%	39.35%

Trust rate 39.35% on dividends and 45% on everything else. The standard rate band has been abolished from 6 April 2024

£500 de minimis trust amount - trusts and estates with income below this do not need to pay tax

Income tax rates in Scotland and Wales on income other than savings and dividend income have been devolved

## VALUE ADDED TAX

Standard rate (1/6 of VAT inclusive amount)	20%
Reduced rate	5%

	2024/25	2023/24
Registration threshold	£90,000 p.a.	£85,000 p.a.
Deregistration limit	£88,000 p.a.	£83,000 p.a.
Annual accounting scheme turnover limit	£1,350,000 p.a.	£1,350,000 p.a.
Cash accounting scheme turnover limit	£1,350,000 p.a.	£1,350,000 p.a.
Flat rate scheme turnover limit	£150,000 p.a.	£150,000 p.a.

## DEVOLVED INCOME TAX

Scotland rates and bands					
Band	Rate	2024/25	Band	Rate	2023/24
		Rate			Rate
£0 - £2,306	19%	£0 - £2,162	19%		
£2,307 - £13,991	20%	£2,163 - £13,118	20%		
£13,992 - £31,092	21%	£13,119 - £31,092	21%		
£31,093 - £62,430	42%	£31,093 - £125,140	42%		
£62,431 - £125,140	45%	Over £125,140	47%		
Over £125,140	48%				

Wales rates and bands					
Band	Rate	2024/25	Band	Rate	2023/24
		Rate			Rate
£0 - £37,700	20%	£0 - £37,700	20%		
£37,701 - £125,140	40%	£37,701 - £125,140	40%		
Over £125,140	45%	Over £125,140	45%		

## CHILD BENEFIT

	2024/25	2023/24
1st child (per week)	£25.60	£24.00
Each additional child (per week)	£16.95	£15.90

High Income Child Benefit Charge (HICBC) - the lower and upper income thresholds from 6 April 2024 are £60,000 and £80,000 (previously £50,000 and £60,000)

## CORPORATION TAX

From 1 April 2024	Rate %	From 1 April 2023	Rate %
Main rate	25%	Main rate	25%
Small profits rate	19%	Small profits rate	19%
Lower threshold	£50,000	Lower threshold	£50,000
Upper threshold	£250,000	Upper threshold	£250,000
Marginal relief fraction	3/200th	Marginal relief fraction	3/200th

Marginal relief is available for companies with profits between £50,000 and £250,000

## BUSINESS ASSETS DISPOSAL RELIEF AND INVESTORS' RELIEF

	2024/25	2023/24
Rate	10%	10%
Business assets disposal relief lifetime limit	£1,000,000	£1,000,000
Investors' relief lifetime limit	£10,000,000	£10,000,000

## NATIONAL INSURANCE

Class 1 (earnings related)			
Employees	2024/25	Employees	2023/24
Weekly earnings		Weekly earnings	
First £242	0%	First £242	0%
£242.01 - £967	8.00%	£242.01 - £967	10.00%*
Over £967	2.00%	Over £967	2.00%

\* 12.00% up to 5 January 2024

Lower earnings limit per week*	£123	£123
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\*Entitlement to contribution-based benefits for employees retained for earnings between £123 and £242 per week

Employers			
Weekly earnings	Rate	Weekly earnings	Rate
First £175	0%	First £175	0%
Over £175	13.80%	Over £175	13.80%

Employer rate is 0% for certain military veterans, employees under 21 and apprentices under 25 on earnings up to £967 per week

Employment allowance  
£5,000 per employer (where employer NIC bill doesn't exceed £100,000)

	2024/25	2023/24
Class 1A and Class 1B	13.80%	13.80%

Class 2 (self-employed)		
£3.45 per week for voluntary contributions or those with profits under the small profits threshold of £6,725		£3.45 per week
Class 2 has been abolished for those with profits over £6,725*		Small profits threshold £6,725 Lower profits threshold £12,570

Class 3 (voluntary contributions)	£17.45	£17.45
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Class 4 (self-employed)		
Profits between £12,570 - £50,270	6.00%	9.00%
Profits between £12,570 - £50,270	2.00%	2.00%
Profits over £50,270		Profits over £50,270

\*The small profits threshold is now the point at which self-employed individuals start to receive National Insurance credit without paying NICs

## REGISTERED PENSION SCHEMES

Annual allowance	£60,000
Minimum tapered allowance	£10,000
Threshold income limit	£200,000
Adjusted income limit	£260,000

Any unused annual allowance can be carried forward for up to three years

## STAMP TAXES

Shares  
Stamp duty is usually 0.5% on shares over £1,000

Land and property stamp tax  
Rates may be increased by 3% (4% in Wales and 6% in Scotland) where further residential properties are acquired

Stamp Duty Land Tax (England and Northern Ireland)			
Residential	SDLT %	Non-residential	SDLT %
£0 - £250,000	0%	£0 - £150,000	0%
£250,001 - £925,000	5%	£150,001 - £250,000	2%
£925,001 - £1,500,000	10%	Over £250,000	5%
Over £1,500,000	12%		

First-time buyer relief may apply to purchases up to £625,000

Land and Buildings Transaction Tax (Scotland)			
Residential	LBTT %	Non-residential	LBTT %
£0 - £145,000	0%	£0 - £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 buyer relief may apply to purchases up to £175,000

Land Transaction Tax (Wales)			
Residential	LTT %	Non-residential	LTT %
£0 - £225,000	0%	£0 - £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%		

This summary is published for the information of our members. It provides only an overview of the main proposals announced by the Chancellor of the Exchequer in his Spring Budget on 6 March 2024 and no action should be taken without consulting the detailed legislation. Therefore no responsibility for loss occasioned by any person acting or refraining from action as a result of the material contained in this summary can be accepted by the authors or the IFA.