

Rates and allowances

Autumn Statement November 2015

This publication summarises some of the tax rates and allowances available for 2016/17. The figures contained in this publication are subject to amendment as the Finance Bill passes through Parliament.

Income tax personal allowances

£ per year	2015/16	Change	2016/17
Personal allowance (those born after 5 April 1938)	£10,600	£400	£11,000
Personal allowance (those born before 6 April 1938)	£10,660	£340	£11,000
Personal savings allowance			
– basic rate taxpayers	n/a		£1,000
– higher rate taxpayers	n/a		£500
Dividend allowance*	n/a		£5,000
Blind person's allowance	£2,290	–	£2290
Married couple's transferable personal allowance**	£1,060	£40	£1,100
Married couple's allowance (available to people born before 6 April 1935)***	£8,355	–	£8,355
Married couple's allowance – minimum amount	£3,220	–	£3,220
Income limit for age related allowances	£27,700	–	£27,700
Income limit for personal allowance	£100,000	–	£100,000

* From April 2016, the dividend tax credit will be abolished and replaced by a new dividend allowance which effectively taxes the first £5,000 at a 0% rate.

** Personal allowance is transferrable between married couples and civil partners provided neither party is liable to income tax at the higher or additional rate.

*** Tax relief for married couples and civil partners is given at a rate of 10%.

Income tax bands

£ per year	2015/16	Change	2016/17
Savings rate* (0%)	£5,000	–	£5,000
Basic rate (20%)	£0 – £31,785	£215	£0 - £32,000
Higher rate (40%)	£31,786 – £150,000	(£215)	£32,001 - £150,000
Additional rate (45%)	Over £150,000	–	Over £150,000

* Only available to the extent an individual's taxable non-savings income is below this threshold.

Corporation tax rates

From FY2015 the small profit rate unified with the main rate (with the exception of North Sea oil and gas ring fenced profits).

	Financial year 2015	Change	Financial year 2016
Main rate (on all profits)	20%	-	20%

National Insurance contributions

	2015/16	Change	2016/2017
Lower earnings limit, employees, per week	£112	–	£112
Upper earnings limit, employees, per week	£815	£12	£827
Employee threshold, per week	£155	–	£155
Employer threshold, per week:			
– employees' aged 21 and over	£156	–	£156
– employees' under the age of 21	£815	£12	£827
– apprentices under the age of 25	n/a		£827
Employees' rate between threshold and upper earnings limit	12%	–	12%
Employees' rate above upper earnings limit	2%	–	2%
Employees' contracted out rebate	1.4%		n/a
Employers' rate above threshold	13.8%	–	13.8%
Employers' contracted out rebate, salary related schemes	3.4%		n/a
Class 2 rate, per week	£2.80	–	£2.80
Class 2 small earnings exception, per year	£5,965	–	£5,965
Class 3 rate, per week	£14.10	–	£14.10
Class 4, lower profits limit, per year	£8,060	–	£8,060
Class 4, upper profits limit, per year	£42,385	£615	£43,000
Class 4 rate between lower profits limit and upper profits limit	9%	–	9%
Class 4 rate above upper profits limit	2%	–	2%
Employment allowance, per employer, per year	£2,000	£1,000	£3,000

Capital gains tax

	2015/16	Change	2016/17
Annual exemption (individuals and personal representatives)	£11,100	–	£11,100
Annual exemption (trusts)	£5,550	–	£5,550
Rate up to unused basic rate band	18%	–	18%
Rate after basic rate band used	28%	–	28%
Entrepreneurs' relief rate for qualifying business assets	10%	–	10%
Entrepreneurs' relief rate lifetime allowance for qualifying gains	£10,000,000	–	£10,000,000

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