



Rates and allowances

Autumn Statement November 2016

This publication summarises some of the tax rates and allowances available for 2017/18. The figures contained in this publication are subject to amendment as the Finance Bill passes through Parliament.

Income tax personal allowances

£ per year	2016/17	Change	2017/18
Personal allowance	£11,000	£500	£11,500
Personal savings allowance			
– basic rate taxpayers	£1,000	-	£1,000
– higher rate taxpayers	£500	-	£500
Dividend allowance*	£5,000	-	£5,000
Blind person's allowance	£2,290	£30	£2,320
Transferable marriage allowance**	£1,100	£50	£1,150
Married couple's allowance (available to people born before 6 April 1935)***	£8,355	£90	£8,445
Married couple's allowance – minimum amount	£3,220	£40	£3,260
Income limit for age related allowances****	£27,700	£300	£28,000
Income limit for personal allowance****	£100,000	-	£100,000
Property income allowance	-	£1,000	£1,000
Trading income allowance	-	£1,000	£1,000

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

** Personal allowance is transferable 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%.

**** Reduced by £1 for every £2 over limit

Income tax bands

£ per year on taxable income	2016/17	Change	2017/18
Savings rate* (0%)	£5,000	-	£5,000
Basic rate limit (20%)	£0 - £32,000	£1,500	£0 - £33,500
Higher rate band (40%)	£32,001 - £150,000	(£1,500)	£33,501 - £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

Financial year beginning on 1 April	2016	Change	2017
Main rate (on all profits)	20%	(1%)	19%

National Insurance contributions

	2016/17	Change	2017/18
Lower earnings limit, employees, per week	£112	£1	£113
Upper earnings limit, employees, per week	£827	£39	£866
Employee threshold, per week	£155	£2	£157
Employer threshold, per week:			
– employees' aged 21 and over	£156	£1	£157
– employees' under the age of 21	£827	£39	£866
– apprentices under the age of 25	£827	£39	£866
Employees' rate between threshold and upper earnings limit	12%	-	12%
Employees' rate above upper earnings limit	2%	-	2%
Employers' rate above threshold	13.8%	-	13.8%
Class 2 rate, per week	£2.80	5p	£2.85
Class 2 small earnings exception, per year	£5,965	£60	£6,025
Class 3 rate, per week	£14.10	15p	£14.25
Class 4, lower profits limit, per year	£8,060	£104	£8,164
Class 4, upper profits limit, per year	£43,000	£2,000	£45,000
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	£3,000	-	£3,000

Apprenticeship levy

	2016/17	Change	2017/18
Rate*	-	0.5%	0.5%
Levy allowance**	-	£15,000	£15,000

* The percentage charge is on an employer's pay bill, which is the total amount of employees' earnings that are subject to employer's Class 1 National Insurance contributions (ignoring thresholds).

** Due to the allowance, this will only impact employers with a pay bill of over £3million. However, when companies or charities are connected, they will share the levy allowance.

Capital gains tax

	2016/17	Change	2017/18
Annual exemption (individuals and personal representatives)	£11,100	-	£11,100
Rate up to unused basic rate band	10%	-	10%
Rate after basic rate band used	20%	-	20%
Residential property and carried interest*	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
Investors' relief rate for qualifying gains	10%	-	10%
Investors' relief rate lifetime allowance for qualifying gains	£10,000,000	-	£10,000,000

* 18% up to basic rate limit for individuals.



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