


Tax Table 2020/2021

This tax table provides information relating to the **2020/2021** tax year. It does not include any temporary COVID-19 measures, and questions should be answered using the provided tax information.

| Income Tax (Excluding Scotland) | Rate | 2019/2020 | Rate | 2020/2021 |
|---------------------------------|------|--------------------------|------|--------------------------|
| Starting Rate for Savings | 0% | £ 0 to 5,000 a | 0% | £ 0 to 5,000 a |
| Basic Rate | 20% | 0 to 37,500 | 20% | 0 to 37,500 |
| Higher Rate | 40% | 37,501 to 150,000 | 40% | 37,501 to 150,000 |
| Additional Rate | 45% | 150,001+ | 45% | 150,001+ |

| Income Tax (Scotland Only) | Rate | 2019/2020 | Rate | 2020/2021 |
|----------------------------|------|--------------------------|------|--------------------------|
| Starting Rate for Savings | 0% | £ 0 to 5,000 a | 0% | £ 0 to 5,000 a |
| Starter Rate | 19% | 0 to 2,049 | 19% | 0 to 2,085 |
| Basic Rate | 20% | 2,050 to 12,444 | 20% | 2,086 to 12,658 |
| Intermediate Rate | 21% | 12,445 to 30,930 | 21% | 12,659 to 30,930 |
| Higher Rate | 41% | 30,931 to 150,000 | 41% | 30,931 to 150,000 |
| Top rate | 46% | 150,001+ | 46% | 150,001+ |

|  Personal Allowances | 2019/2020 | 2020/2021 |
|--|-------------------------------|-------------------------------|
| | £ 12,500 b c | £ 12,500 b c |
| Married couple's allowance | 8,915 d | 9,075 d |
| Income limit for personal allowance | 100,000 | 100,000 |

- a** Only available on taxable savings income where taxable non-savings income is less than £5,000, note also personal savings allowance of £1,000 / £500 for basic / higher rate taxpayers.
- b** If adjusted net income exceeds £100,000 the personal allowance will reduce by £1 for every £2 of additional income. This reduction applies irrespective of date of birth.
- c** Marriage allowance enables an individual to transfer up to 10% of personal allowance to spouse / civil partner as long as the recipient pays tax at basic rate only.
- d** If adjusted net income exceeds £30,200, the married couple's allowance is reduced by £1 for every £2 of additional income but will not reduce below £3,510. Only available if one of the couple was born before 6th April 1935. Relief restricted to 10%.

Note

Taxable dividend income outside the £2,000 dividend allowance is taxed at 7.5%, 32.5% or 38.1% for basic, higher or additional rate taxpayers respectively.

Inheritance Tax – (IHT)

| Gross transfer on death | Rate |
|-------------------------|------|
| First £325,000 a | Nil |
| Excess b | 40% |

| | |
|------------------------------|-----|
| Chargeable lifetime transfer | 20% |
|------------------------------|-----|

- a** With possible residence nil rate band of **£175,000 for 2020/21 (2019/2020: £150,000)**.
- b** The rate is **40%** unless **10%** of the net estate is gifted to charity, then the rate is **36%**.

| Gifts | £ |
|---|-------|
| Annual exemption | 3,000 |
| Small gifts exemption | 250 |
| Gifts in Consideration of Marriage | |
| from parents (per parent) | 5,000 |
| from grandparents (per grandparent) | 2,500 |
| from others (per person) | 1,000 |

Tax table continued:

Reduction on tax charge for gifts within 7 years of death

| Years between gift and death | % of death rate tax payable |
|------------------------------|-----------------------------|
| 0 – 3 | 100% |
| 3 – 4 | 80% |
| 4 – 5 | 60% |
| 5 – 6 | 40% |
| 6 – 7 | 20% |
| After Year 7 | Exempt |

Capital Gains Tax – (CGT)



| | Rate | 2019/20 | Rate | 2020/21 |
|----------------------|--------------|--|--------------|--|
| Annual exempt amount | 0% | £12,000 | 0% | £12,300 |
| Chargeable gains | 10% a | On gains falling within basic rate threshold | 10% a | On gains falling within basic rate threshold |
| | 20% b | On gains falling within higher / additional rate threshold | 20% b | On gains falling within higher / additional rate threshold |

a 18% for residential property not subject to private residence relief.

b 28% for residential property not subject to private residence relief.

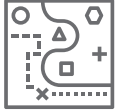
Stamp Duty Land Tax – (SDLT)



The following rates will be charged on the element of the residential property purchase price within each tax band:

| Rate | Value of Property |
|------|-----------------------|
| 0% | 0 - £125,000* |
| 2% | £125,001 - £250,000* |
| 5% | £250,001 - £925,000* |
| 10% | £925,001 - £1,500,000 |
| 12% | £1,500,001 and over |

*First-time buyers will be exempt from SDLT on properties with a purchase price of £300,000 or less. SDLT at the rate of 5% will apply to the excess over £300,001 to £500,000. Standard rates apply to £500,001 and above.



Land Transaction Tax (Wales) – (LTT)

The following rates will be charged on the element of the residential property purchase price within each tax band:

| Rate | Value of Property |
|------|-----------------------|
| 0% | 0 - £180,000 |
| 3.5% | £180,001 - £250,000 |
| 5% | £250,001 - £400,000 |
| 7.5% | £400,001 - £750,000 |
| 10% | £750,001 - £1,500,000 |
| 12% | £1,500,001 and over |

There is no additional exemption for first-time buyers in Wales

Land and Buildings Transaction Tax (Scotland) – (LBTT)



The following rates will be charged on the element of the residential property purchase price within each tax band:

| Rate | Value of Property |
|------|---------------------|
| 0% | 0 - £145,000 |
| 2% | £145,001 - £250,000 |
| 5% | £250,001 - £325,000 |
| 10% | £325,001 - £750,000 |
| 12% | £750,001 and over |

First-time buyers will be exempt from LBTT on properties with a purchase price of £175,000 or less. First-time buyers buying a property for more than £175,000 will receive relief on the portion of the purchase price below the threshold.



Pension Allowances

| | Annual Allowance | Lifetime Allowance |
|-----------|------------------|--------------------|
| 2013/2014 | £50,000 | £1,500,000 |
| 2014/2015 | £40,000 | £1,250,000 |
| 2015/2016 | £40,000 | £1,250,000 |
| 2016/2017 | £40,000* | £1,000,000 |
| 2017/2018 | £40,000* | £1,000,000 |
| 2018/2019 | £40,000* | £1,030,000 |
| 2019/2020 | £40,000* | £1,055,000 |
| 2020/2021 | £40,000** | £1,073,100 |

** For every £2 of adjusted income above £240,000, (and where threshold income is over £200,000) an individual's annual allowance will reduce by £1 to a minimum of £4,000.

* For every £2 of adjusted income above £150,000, (and where threshold income is over £110,000) an individual's annual allowance will reduce by £1 to a minimum of £10,000.

Pension Credit



Entitled to credit necessary to guarantee a minimum income:

| | 2019/2020 | 2020/2021 |
|---------------|------------------|------------------|
| Single person | £167.25 per week | £173.75 per week |
| Couple | £255.25 per week | £265.20 per week |

Capital over £10,000 is deemed to produce income of £1 per week for every £500 (or part) over £10,000.