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## Some Important Tax Rates for 2023/24

### Tax-free Savings for Individuals



ISA  
ALLOWANCE

→ **£20,000**



JUNIOR ISA  
ALLOWANCE

→ **£9,000**



LIFETIME ISA

→ **£4,000**

### Dividend Taxation

**£1,000** tax-free  
Dividend Allowance

Dividends  
above this  
level will be  
taxed at;

**8.75%**  
(basic rate)

**33.75%**  
(higher rate)

**39.35%**  
(additional rate)

### Income Tax Allowances

Income Tax Personal Allowance  
**£12,570**



There is one Income Tax Personal Allowance, regardless of an individual's date of birth

Where your adjusted net income exceeds **£100,000**, the Personal Allowance reduces by £1 for every £2 of adjusted net income above **£100,000**

### Personal Savings Allowance



Up to  
**£1,000** of  
savings interest  
tax free to basic  
rate tax payers



and **£500** for  
those who pay  
higher rate tax

For additional rate tax payers the allowance is nil

### Pension Annual Allowance

The Annual Allowance is  
**£60,000** for 2023/24



£1 of Annual Allowance is lost for every £2 of adjusted income over £260,000. The minimum tapered Annual Allowance is £10,000

### Lifetime Allowance



The standard  
Lifetime Allowance is  
**£1,073,100**



From April 2023, the charge for exceeding the Allowance has been removed and the abolition of the Lifetime Allowance will be delivered in a Finance Bill

### State Pension

Flat rate State Pension increased to **£203.85pw** from 6/4/23  
(35 qualifying National Insurance years needed)

Old State Pension increased to **£156.20pw** from 6/4/23

### Inheritance Tax (IHT)

Nil-Rate  
IHT band  
**£325,000**



**40%**

IHT payable  
above this  
threshold



or **36%** if you  
leave at least  
10% of your  
assets to charity



### Other IHT-free gifts, include;

**Gifts** between  
UK domiciled husband  
or wife or between  
civil partners;



Small gifts  
to other recipients up  
to **£250** each in a year



### Capital Gains Tax

Annual  
personal  
CGT  
exemption → **£6,000**  
(Higher rates of 18%  
and 28% apply to sales  
of second homes)



levied at **10%** for  
basic rate taxpayers



or **20%** for higher  
rate taxpayers

Additional main Residence  
Nil-Rate band (RNRB) when a  
residence is passed on death  
to a direct descendant.



For the 2023/24 tax year  
the allowance is



**£175,000**

This will be subject to a maximum estate value of £2m

Total gifts up to  
**£3,000** in a year  
(can be carried forward  
one tax year)



Gifts in consideration  
of marriage or civil  
partnership ranging  
from **£5,000** from  
each parent of the  
couple, to **£1,000**  
from anyone else



Failed chargeable lifetime transfers and potentially exempt transfers may receive taper relief on the IHT payable.

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