

# Proposed Rates and Allowances 2018/19

These rates are mainly derived from the Chancellor's Autumn Budget, the first for many years, and may be subject to change before the start of the new tax year.

## INCOME TAX RATES

Income tax rates (other than dividend income)

2018/19		2017/18	
Band £	Rate %	Band £	Rate %
0 - 34,500	20	0 - 33,500	20
34,501 - 150,000	40	33,501 - 150,000	40
Over 150,000	45	Over 150,000	45

Scotland income tax rates

2018/19		2017/18	
Band £	Rate %	Band £	Rate %
Rates and bands for 2018/19 will be announced in the Scottish Budget.		0 - 31,500*	20
		31,501* - 150,000	40
		Over 150,000	45

\* Savings and dividend income are taxed using UK rates.

## STARTING RATES FOR SAVINGS INCOME

	2018/19	2017/18
Starting rate for savings	0%	0%
Starting rate limit for savings	£5,000	£5,000

## DIVIDEND RATES

2018/19 and 2017/18

Dividend ordinary rate	7.5%
Dividend upper rate	32.5%
Dividend additional rate	38.1%

## PENSIONS TAX RELIEF

	2018/19	2017/18
Lifetime Allowance limit	£1,030,000	£1 million
Annual Allowance limit	£40,000	£40,000
Tapered Annual Allowance (applies to income over this amount)	£150,000	£150,000
Money Purchase Annual Allowance	£4,000	£4,000

## INDIVIDUAL SAVINGS ACCOUNT (ISA)

	2018/19	2017/18
The ISA limit	£20,000	£20,000
Lifetime ISA	£4,000	£4,000
Help to Buy ISA monthly subscription limit (initial deposit limit £1,000)	£200	£200
Junior ISA	£4,260	£4,128

## INCOME TAX ALLOWANCES

	2018/19	2017/18
<b>Personal allowance</b>	£	£
Personal allowance	11,850	11,500
Income limit for personal allowance	100,000	100,000
Income limit for married couple's allowance	28,900	28,000
<b>Marriage allowance</b>	1,185	1,150
<b>Married couple's allowance for those born before 6 April 1935</b>		
Maximum amount of married couple's allowance	8,695	8,445
Minimum amount of married couple's allowance	3,360	3,260
<b>Blind person's allowance</b>	2,390	2,320
<b>Dividend allowance</b>	2,000	5,000
<b>Personal savings allowance</b>		
Personal savings allowance for basic rate taxpayers	1,000	1,000
Personal savings allowance for higher rate taxpayers	500	500

## VAT

	2018/19
Standard rate	20%
Reduced rate	5%
Annual Registration Limit - from 1.4.18 (1.4.17 £85,000)	£85,000
Annual Deregistration Limit - from 1.4.18 (1.4.17 £83,000)	£83,000

## CAPITAL ALLOWANCES

Annual Investment Allowance	£200,000	
	%	
Main Rate Pool Writing Down Allowance	18	
Special Rate Pool Writing Down Allowance	8	
Enhanced Capital Allowances	100	
<b>Cars purchased on or after 1 April 2018</b>	<b>Cars purchased before 1 April 2018</b>	
Exceeds 110gm/km	Exceeds 130gm/km	8
Does not exceed 110gm/km	Does not exceed 130gm/km	18
Does not exceed 50gm/km	Does not exceed 75gm/km	100