

Appendix A. Headline tax and benefit rates and thresholds

	2014–15	2015–16 ^a
Income tax		
Personal allowance: born after 5/4/48	£10,000 p.a.	£10,600 p.a.
born between 6/4/38 and 5/4/48	£10,500 p.a.	£10,600 p.a.
born before 6/4/38	£10,660 p.a.	£10,660 p.a.
Married couple's allowance, restricted to 10%: at least one spouse or civil partner born before 6/4/35	£8,165 p.a.	£8,355 p.a.
Basic rate	20%	20%
Higher rate	40%	40%
Additional rate	45%	45%
Tax rates on interest income	10%, 20%, 40%, 45%	0%, 20%, 40%, 45%
Tax rates on dividend income	10%, 32.5%, 37.5% ^b	10%, 32.5%, 37.5% ^b
Starting-rate limit	£2,880 p.a.	£5,000 p.a.
Basic-rate limit	£31,865 p.a.	£31,785 p.a.
Higher-rate limit	£150,000 p.a.	£150,000 p.a.
Income limit for personal allowance	£100,000 p.a.	£100,000 p.a.
National Insurance		
Lower earnings limit (LEL)	£111 p.w.	£112 p.w.
Upper earnings limit (UEL)	£805 p.w.	£815 p.w.
Upper accrual point (UAP)	£770 p.w.	£770 p.w.
Primary earnings threshold (employee)	£153 p.w.	£155 p.w.
Secondary earnings threshold (employer)	£153 p.w.	£156 p.w.
Class 1 contracted-in rate: employee – below UEL	12%	12%
– above UEL	2%	2%
employer – below UEL ^c	13.8%	13.8% / 0%
– above UEL	13.8%	13.8%
Class 1 contracted-out rate: employee – below UAP	10.6%	10.6%
(salary-related schemes) – UAP to UEL	12%	12%
– above UEL	2%	2%
employer – below UAP	10.4%	10.4%
– above UAP	13.8%	13.8%
Corporation tax		
Rates: small profits rate	20%	20%
standard rate	21%	21%
Bank levy		
Rates: equity and long-term liabilities	0.078%	0.078%
short-term liabilities	0.156%	0.156%
Capital gains tax		
Annual exemption limit: individuals	£11,000 p.a.	£11,100 p.a.
trusts	£5,500 p.a.	£5,550 p.a.
Standard rate	18%	18%
Higher rate	28%	28%
Inheritance tax		
Threshold	£325,000	£325,000
Rate for transfer at or near death	40%	40%
Value added tax		
Registration threshold	£81,000 p.a.	£82,000 p.a.
Standard rate	20%	20%
Reduced rate	5%	5%

Continues

	2014–15	2015–16 ^a
Excise duties		
Beer (pint at 3.9% abv)	41.5p	42.4p ^d
Wine (75cl bottle at 12% abv)	205.0p	209.3p ^d
Spirits (70cl bottle at 40% abv)	790.2p	806.7p ^d
20 cigarettes: ^e specific duty	368.2p	385.1p ^d
<i>ad valorem</i> (16.5% of retail price)	143.6p	147.7p ^d
Ultra-low-sulphur petrol (litre)	57.95p	57.95/59.17p ^d
Ultra-low-sulphur diesel (litre)	57.95p	57.95/59.17p ^d
Air passenger duty		
Band A (up to 2,000 miles):		
economy	£13	£13 ^f
club & first class ^g	£26	£26
higher rate ^h	-	£78
Band B (2,001–4,000 miles):		
economy	£69	£71 ^f
club & first class	£138	£142
higher rate	-	£426
Band C (4,001–6,000 miles):		
economy	£85	£71 ^f
club & first class	£170	£142
higher rate	-	£426
Band D (6,001 or more miles):		
economy	£97	£71 ^f
club & first class	£194	£142
higher rate	-	£426
Betting and gaming duty		
Gaming duty (depends on gross gaming yield)	15–50%	15–50%
Spread betting rate: financial bets	3%	3%
other bets	10%	10%
Insurance premium tax		
Standard rate	6%	6%
Higher rate (for insurance sold accompanying certain goods and services)	20%	20%
Stamp dutyⁱ		
Land and buildings:		
residential threshold	£125,000	£125,000
average/marginal tax rate for house values:	<i>average rate:</i>	<i>marginal rate:</i>
up to threshold	0%	0%
threshold–£250,000	1%	2%
£250,001–£500,000	3%	5%
£500,001–£925,000	4%	5%
£925,001–£1,000,000	4%	10%
£1,000,001–£1,500,000	5%	10%
£1,500,001–£2,000,000	5%	12%
above £2,000,000	7%	12%
non-residential threshold	£150,000	£150,000
average tax rate for property values:	<i>average rate:</i>	<i>average rate:</i>
up to threshold ^j	0%	0%
threshold–£250,000	1%	1%
£250,001–£500,00	3%	3%
above £500,000	4%	4%
Stocks and shares: rate	0.5%	0.5%
Vehicle excise duty		
Graduated system (for new cars from 1 March 2001)	£0–£500 p.a.	£0–£510 p.a. ^d
Graduated system (first-year rate from April 2010)	£0–£1,090 p.a.	£0–£1,115 p.a. ^d
Standard rate (for cars registered before March 2001)	£230 p.a.	£235 p.a. ^d
Small-car rate (engines up to 1,549cc)	£145 p.a.	£150 p.a. ^d
Heavy goods vehicles (varies according to vehicle type and weight)	£165–£1,850 p.a.	£165–£1,850 p.a.
Landfill tax		
Standard rate	£80 per tonne	£82 per tonne
Lower rate (inactive waste only)	£2.50 per tonne	£2.50 per tonne

Continues

	2014–15	2015–16 ^a
Climate change levy		
Electricity	0.541p/kWh	0.554p/kWh
Natural gas	0.188p/kWh	0.193p/kWh
Liquefied petroleum gas	1.210p/kg	1.240p/kg
Any other taxable commodity	1.476p/kg	1.512p/kg
Business rates		
Rate applicable for low-value properties ^k in: England	47.1%	48.0%
Scotland	47.1%	48.0%
Wales	47.3%	48.2%
Council tax		
Average band D rate in England and Wales	£1,455	Councils to set
Income support / Income-based jobseeker's allowance		
Single (aged 25 or over)	£72.40 p.w.	£73.10 p.w.
Couple (both aged 18 or over)	£113.70 p.w.	£114.85 p.w.
Basic state pension		
Single	£113.10 p.w.	£115.95 p.w.
Couple	£180.90 p.w.	£185.45 p.w.
Winter fuel payment: for those aged 60–79	£200 p.a.	£200 p.a.
for those aged 80 or over	£300 p.a.	£300 p.a.
Pension credit		
Guarantee credit for those over female state pension age:		
single	£148.35 p.w.	£151.20 p.w.
couple	£226.50 p.w.	£230.85 p.w.
Savings credit for those aged 65 or over:		
threshold – single	£120.35 p.w.	£126.50 p.w.
– couple	£192.00 p.w.	£201.80 p.w.
maximum – single	£16.80 p.w.	£14.82 p.w.
– couple	£20.70 p.w.	£17.43 p.w.
withdrawal rate	40%	40%
Child benefit		
First child	£20.50 p.w.	£20.70 p.w.
Other children	£13.55 p.w.	£13.70 p.w.
Threshold ^l	£50,000 p.a.	£50,000 p.a.
Withdrawal rate	1% per £100	1% per £100
Child tax credit		
Family element	£545 p.a.	£545 p.a.
Child element	£2,750 p.a.	£2,780 p.a.
Disabled child element	£3,100 p.a.	£3,140 p.a.
Working tax credit		
Basic element	£1,940 p.a.	£1,960 p.a.
Couple and lone-parent element	£1,990 p.a.	£2,010 p.a.
30-hour element	£800 p.a.	£810 p.a.
Disabled worker element	£2,935 p.a.	£2,970 p.a.
Childcare element:		
maximum eligible cost for one child	£175 p.w.	£175 p.w.
maximum eligible cost for two or more children	£300 p.w.	£300 p.w.
proportion of eligible costs covered	70%	70%
Features common to child and working tax credits		
Threshold	£6,420 p.a.	£6,420 p.a.
Threshold if entitled to child tax credit only	£16,010 p.a.	£16,105 p.a.
Withdrawal rate	41%	41%
Maternity benefits		
Sure Start maternity grant	£500	£500
Statutory maternity pay: weeks 1–6	90% of earnings	90% of earnings
weeks 7–33	£138.18 p.w., or 90% of earnings if lower	£139.58 p.w., or 90% of earnings if lower
Maternity allowance	£138.18 p.w.	£139.58 p.w.

Notes and source to table

^a 2015–16 figures take pre-announced values where available and estimated results of standard indexation otherwise.

^b Offsetting tax credits available, which reduce marginal effective tax rates to 0%, 25% and 30.6%.

^c From April 2015, employers are not liable for National Insurance contributions on the earnings of employees under the age of 21 (and apprentices under the age of 25) below the upper earnings limit.

^d Assumes RPI inflation of 2.1% in the third quarter of 2015 as per Office for Budget Responsibility, *Economic and Fiscal Outlook: December 2014*. Fuel duty increase in April 2015 delayed until September 2015.

^e Assumes the December 2014 average pre-tax price of king-size filter cigarettes (series CZMP from table 63 of ONS's consumer price inflation detailed reference tables).

^f From May 2015, children aged under 12 will not be subject to air passenger duty if they are flying economy class.

^g If any class of travel provides a seat pitch in excess of 1.016 metres (40 inches), the club and first class (standard) rate is the minimum rate that applies.

^h The higher rate applies to flights aboard aircraft of 20 tonnes and above with fewer than 19 seats.

ⁱ New stamp duty schedule was applied from 4 December 2014. From 1 April 2015, stamp duty land tax is replaced by a land and buildings transaction tax in Scotland.

^j 1% on non-residential properties up to £150,000 with annual rent of £1,000 or more.

^k Applies to all businesses in Wales, and where rateable values are less than £25,500 in Greater London, £18,000 in the rest of England and £35,000 in Scotland. A supplement is payable on higher-value properties in England and Scotland (rising from 1.1% in 2014–15 to 1.3% in 2015–16), and an additional 0.4% is payable on all properties in the City of London.

^l The high-income child benefit charge applies to all families containing at least one individual with a taxable income in excess of £50,000.

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