

TKV Financial Management Ltd



Tax tables 2025-26

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Income Tax Rates for Individuals

Main personal allowances and reliefs		2025-26
Personal Allowance*		£12,570
Marriage/Civil Partners' transferable allowance		£1,260
Married Couple's/Civil Partners' Allowance at 10%** (If at least one partner was born before 06.04.1935)		
	Maximum	£11,270
	Minimum	£4,360
Blind Person's Allowance		£3,130
Rent-a-room Relief		£7,500
Property Allowance and Trading Allowance (each)		£1,000

*Personal Allowance reduced by £1 for every £2 of adjusted net income over £100,000.

**Married Couple's / Civil Partners' allowance reduced by £1 for every £2 of adjusted net income over £37,000, until the minimum is reached.

Income Tax: UK taxpayers excluding Scottish taxpayers		2025-26
20% basic rate on taxable income		£12,570 - £50,270
40% higher rate on the next slice of income over		£50,271 - £125,140
45% additional rate on income over		£125,140

Income Tax: Scottish taxpayers'		2025-26
Personal allowance		Up to £12,570
19% Starter rate on taxable income between		£12,571 - £15,397
20% basic rate on next slice between		£15,398 - £27,491
21% Intermediate rate on next slice between		£27,492 - £43,662
42% higher rate on next slice up to		£43,663 - £75,000
45% advanced rate on income over		£75,001 - £125,140*
48% top rate on income over		£125,140

*Those earning more than £100,000 will see their personal allowance reduce by £1 for every £2 earned over £100,000.

All UK Taxpayers	2025-26
Starting rate at 0% on band of savings income up to *	£5,000
Personal savings allowance at 0%:	
Basic rate	£1,000
Higher rate	£500
Additional rate	£0
Dividend allowance at 0%: All individuals	£500
Tax rates on dividend income:	
Basic rate	8.75%
Higher rate	33.75%
Additional rate	39.35%
Trusts: Income exemption generally	£500
Standard rate band generally	N/A
Rate applicable to trusts:	
Dividends	39.35%
Other income	45%
High Income Child Benefit Charge: 1% of benefit per £200 of adjusted net income between £60,000 and £80,000.	

*This reduces by £1 for every £1 of other income that you receive in excess of your personal allowance until it reaches zero.

Registered Pensions

Registered Pensions	2025-26
Lump sum and death benefit allowance	£1,073,100
Lump sum allowance	£268,275
Overseas transfer allowance	£1,073,100
Money purchase annual allowance	£10,000
Annual allowance*	£60,000
Annual allowance charge on excess is at applicable tax rate(s) on earnings	

*Reduced by £1 for every £2 of adjusted income over £260,000 to a minimum of £10,000, subject to threshold income being over £200,000.

State Pensions

State Pensions	Annual	Weekly
New state pension	£11,973.00	£230.20
Basic state pension – single person*	£9,167.60	£176.30
Basic state pension – spouse/civil partner*	£5,280.60	£101.55

*State pension age reached before 06/04/2016.

Tax Incentivised Investments

Tax Incentivised Investments	2025-26
Total Individual Savings Account (ISA) limit	£20,000
Lifetime ISA	£4,000
Junior ISA/Child Trust Fund	£9,000
Venture Capital Trust (VCT) at 30%	£200,000
Enterprise Investment Scheme (EIS) at 30%*	£2,000,000
EIS eligible for CGT deferral relief	No limit
Seed EIS (SEIS) at 50%	£200,000
SEIS CGT reinvestment relief	50%

*Above £1,000,000 investment must be in knowledge-intensive companies.

National Insurance Contributions (NIC)

National Insurance Contributions Class 1	2025-26	
	Employee	Employer
NICs rate	8%	15%
No NICs for employees generally on the first	£242pw	£96pw
No NICs for younger employees* on the first	£242pw	£967pw
NICs rate charged up to	£967pw	No Limit
2% NICs on earnings over	£967pw	N/A

* No employer NICs on the first £967pw for employees generally under 21 years, apprentices under 25 years and veterans in first 12 months of civilian employment. No employer NICs on the first £481pw for employees at freeports and investment zones in Great Britain in the first three years of employment.

	2025-26
Employment Allowance Per business – not available if sole employee is a director or employers NICs for 24/25 are £100,000 or more	£10,500
Class 1A Employer On most employees' and directors' taxable benefits	15%
Class 2 Self-employed	
Flat rate per week (voluntary)	£3.50 (£182.00pa)
Small profits threshold	£6,845
Lower profits limit	£12,570
Class 4 Self-employed on annual profits of:	
£12,570 – £50,270	6%
Over £50,270	2%
Class 3 Voluntary flat rate per week	£17.75 (£923 pa)

Capital Gains Tax

Capital Gains Tax	2025-26
Annual exemption	
Individuals, estates etc	£3,000
Trusts generally	£1,500
Tax rate	
Below UK higher rate band	18%
Surcharge for residential property	0%
Surcharge for carried interest	0%
Within UK higher and additional rate bands	24%
Surcharge for residential property	0%
Surcharge for carried interest	32%
Trusts and Estates	24%
Business Asset Disposal Relief 14% on lifetime limit of £1,000,000 for trading businesses and companies (minimum 5% participation) held for at least 2 years (rising to 18% from 6 th April 2026).	

Inheritance Tax

Inheritance Tax	2025-26
Nil rate band*	£325,000
Residential nil-rate band**	£175,000
Rate of tax on excess	40%
Rate if at least 10% of net estate left to charity	36%
Lifetime transfers to and from certain trusts	20%
Overseas domiciled spouse/civil partners exemption	£325,000

*Up to 100% of the unused proportion of a deceased spouse's/civil partner's nil-rate band and/or residence nil-rate band can be claimed on the survivor's death.

**Estates over £2,000,000: the value of the residence nil-rate band is reduced by 50% of the excess over £2,000,000. The taper is applied and the relief is reduced by £1 for every £2 that the value exceeds £2 million.

100% relief: businesses, unlisted/AIM companies, some farmland/buildings		
50% relief: certain other business assets		
Annual exempt gifts of:		£3,000 per donor
		£250 per donee
Tapered tax charge on lifetime gifts between 3 and 7 years of death		
Years 0-3		Full 40% rate
Years 3-7		8% less each year
Years 7+		0%

Value Added Tax

Value Added Tax	2025-26
Standard rate	20%
Domestic Fuel	5%
Installation of energy saving materials (Except N Ireland)	0%
Registration level	£90,000
Deregistration level	£88,000
Flat rate scheme turnover limit	£150,000
Cash and annual accounting schemes turnover limit	£1,350,000

Stamp Duties and Property Transaction Taxes

Stamp Duties	2025-26
Stamp Duty and SDRT: Stocks and Marketable securities	0.5%
Additional residential and all corporate residential properties £40,000 or more – add 5% to SDLT rates up to a value of £125,000, 7% to the portion from £125,000 – £250,000, 10% to the portion from £250,001 – £925,001, 15% on the portion from £925,001 – £1.5m and 17% to the remaining amount over £1.5m.	
First Time Buyers 0% on first £300,000 and 5% of the value between £300,000 and £500,000. Reliefs removed if purchase price if over £500,000.	
Non-resident purchasers 2% surcharge on properties £40,000 or more	
Residential properties Bought by companies etc over £500,000: 17% of total consideration, subject to certain exemptions	

England and N Ireland – Stamp Duty Land Tax (SDLT) on slices of value 2025-26			
Residential property	%	Commercial property *	%
Up to £125,000	0	Up to £150,000	0
£125,001 – £250,000	2	£150,001 – £250,000	2
£250,001 – £925,000	5	Over £250,000	5
£925,001 – £1,500,000	10		
Over £1,500,000	12		

*0% for freeport and investment zone qualifying property in England only

Scotland – Land and Buildings transaction Tax (LBTT) on slices of value 2025-26			
Residential property	%	Commercial property	%
Up to £145,000	0	Up to £150,000	0
£145,001 – £250,000	2	£150,001 – £250,000	1
£250,001 – £325,000	5	Over £250,000	5
£325,001 – £750,000	10		
Over £750,000	12		
First time buyers: 0% on the first £175,000			

Wales – Land Transaction Tax (LTT) on slices of value 2025–26

Residential property	%	Commercial property	%
Up to £225,000	0	Up to £225,000	0
£225,001 – £400,000	6	£225,001 – £250,000	1
£401,001 – £750,000	7.5	£250,001 – £1,000,000	5
£750,001 – £1,500,000	10	Over £1,000,000	6
Over £1,500,000	12		

Corporation Tax

Year to 31/03/2026	Profits	Effective Rate	Diverted Profits
	£0 – £50,000	19%	31%
	£50,001 – £250,000	26.5%	
	£250,001 and above	25%	
Loans to participators		33.75%	

Statutory Benefits

Statutory Pay Rates: based on a minimum average earning of at least £123pw	Weekly rates for 2025–26
Statutory sick pay	£118.75 standard rate
Statutory maternity / adoption pay	
First 6 weeks	90% of average weekly pay
Next 33 weeks	90% of average weekly pay up to £187.18
Statutory paternity pay	90% of average weekly pay up to £187.18
Shared parental pay – up to 37 weeks	90% of average weekly pay up to £187.18
Statutory parental bereavement pay	90% of average weekly pay up to £187.18
Child benefit	
First or only child	£26.05
Each subsequent child	£17.25

Year from 01/04/25	National living wage	National minimum wage	National minimum wage
Aged	21+	18-20	Under 18/Apprentice
£/hour	£12.21	£10.00	£7.55

Main Due Dates for Tax Payment

Income Tax, NICs and Capital Gains Tax – Self Assessment

31 st January in the Tax Year	Normally 50% of previous year's income tax
Following 31 st July	(Less tax deducted at source) and Class 4 NICs
Following 31 st January	Balance of income tax, Class 4 NICs and CGT

Inheritance Tax

On death	Normally 6 months after end of month death
Lifetime transfer 6 th April – 30 September	30 th April in following year
Lifetime transfer 1 st October – 5 th April	6 months after end of month of transfer

Capital Gains Tax – Residential UK Property

Report and pay within 60 days of completion of conveyance of the property

Corporation Tax – Self Assessment

Profits under £1,500,000	9 months + 1 day after end of accounting period
Profits £1,500,000 - £20,000,000	Normally payable in the 7 th , 10 th , 13 th , and 16 th months after start of the accounting period
Profits over £20,000,000	Normally payable in the 3 rd , 6 th , 9 th , and 12 th months after start of the accounting period
Growing companies	No instalments where profits are £10,000,000 or less and the company was not a large company for the previous year.

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Important Information

The information is based upon our interpretation of current tax law and legislation which is subject to change.

While we believe this interpretation to be correct, it cannot be guaranteed and TKV Financial Management Ltd cannot accept any responsibility for any action taken or refrained from being taken as a result of the information contained within this summary. Please obtain professional advice before entering into or altering any new arrangement.

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SFPI5462 | 03/2025