

# TAX CARD

2 0 2 6 / 2 7

- 03** **INCOME TAX ALLOWANCES**  
Tax-free income allowance rates.
- 05** **VEHICLE AND FUEL BENEFITS-IN-KIND**  
Taxable vehicle and fuel benefits.
- 07** **TAX-FREE MILEAGE ALLOWANCES**  
Mileage rates exempt from tax.
- 07** **CAPITAL GAINS TAX**  
Tax on profits from asset sales.
- 08** **INHERITANCE TAX**  
Taxes on estate inheritance.
- 09** **UK COMPANY TAXATION**  
Corporation tax rates and rules.
- 09** **MAIN CAPITAL ALLOWANCES**  
Deductions for business asset investment.
- 10** **VAT**  
Value-added tax rates and rules.
- 10** **TAX-EFFICIENT INVESTMENTS**  
Investment options with tax benefits.
- 11** **REGISTERED PENSIONS**  
Pension schemes and tax treatments.
- 11** **NATIONAL INSURANCE**  
Contributions for social security benefits.
- 12** **STAMP DUTY**  
Tax on property, document transactions.
- 12** **PROPERTY TAXES**  
Taxes applicable to property owners.
- 14** **IMPORTANT NOTICE**  
The benefit of professional advice.

## INCOME TAX ALLOWANCES

|  | 2026/27 | 2025/26 |
|--|---------|---------|
| <b>Personal allowance*</b>                             | £12,570 | £12,570 |
| <b>Personal savings allowance</b>                      |         |         |
| – Basic-rate taxpayer                                  | £1,000  | £1,000  |
| – Higher-rate taxpayer                                 | £500    | £500    |
| – Additional-rate taxpayer                             | £0      | £0      |
| <b>Dividend allowance at 0%</b>                        | £500    | £500    |
| <b>Marriage/civil partner transferable allowance**</b> | £1,260  | £1,260  |
| <b>Trading and property allowance***</b>               | £1,000  | £1,000  |
| <b>Rent-a-room allowance</b>                           | £7,500  | £7,500  |
| <b>Blind person's allowance</b>                        | £3,250  | £3,130  |

\* The personal allowance is reduced by £1 for each £2 of income earned above £100,000 up to £125,140.

\*\* Any unused personal allowance may be transferred to a spouse or civil partner, where the recipient is not liable to higher or additional-rate tax.

\*\*\* Landlords and traders with gross income from each of these sources in excess of £1,000 can deduct the allowance from their gross income as an alternative to claiming expenses.

## INCOME TAX BANDS AND RATES

|   | 2026/27                | 2025/26                |
|---|------------------------|------------------------|
| <b>Starting rate of 0% on savings up to*:</b> | £5,000                 | £5,000                 |
| <b>Basic-rate band**</b>                      | £12,571 to<br>£50,270  | £12,571 to<br>£50,270  |
| <b>Higher-rate band</b>                       | £50,271 to<br>£125,140 | £50,271 to<br>£125,140 |
| <b>Additional-rate band</b>                   | Above £125,140         | Above £125,140         |
| <b>Basic-rate</b>                             | 20%                    | 20%                    |
| <b>Higher-rate</b>                            | 40%                    | 40%                    |
| <b>Additional-rate</b>                        | 45%                    | 45%                    |
| <b>Dividend basic-rate</b>                    | 10.75%                 | 8.75%                  |
| <b>Dividend higher-rate</b>                   | 35.75%                 | 33.75%                 |
| <b>Dividend additional-rate</b>               | 39.35%                 | 39.35%                 |

\* The starting rate does not apply if non-savings taxable income exceeds the starting rate limit. Every £1 of other income above the personal allowance reduces the starting rate 'band' by £1.

\*\* Assumes the individual is in receipt of a personal allowance.

## INCOME TAX IN SCOTLAND

| Band                | 2026/27            |      | 2025/26            |      |
|---------------------|--------------------|------|--------------------|------|
|                     | Taxable income     | Rate | Taxable income     | Rate |
| <b>Starter*</b>     | £12,571 – £16,537  | 19%  | £12,571 – £15,397  | 19%  |
| <b>Basic</b>        | £16,538 – £29,526  | 20%  | £15,398 – £27,491  | 20%  |
| <b>Intermediate</b> | £29,527 – £43,662  | 21%  | £27,492 – £43,662  | 21%  |
| <b>Higher</b>       | £43,663 – £75,000  | 42%  | £43,663 – £75,000  | 42%  |
| <b>Advanced**</b>   | £75,001 - £125,140 | 45%  | £75,001 - £125,140 | 45%  |
| <b>Top**</b>        | Above £125,140     | 48%  | Above £125,140     | 48%  |

\* Assumes the individual is in receipt of a personal allowance.

\*\* The personal allowance is reduced by £1 for each £2 of income from £100,000 to £125,140.



## VEHICLE AND FUEL BENEFITS-IN-KIND

The taxable benefit-in-kind is calculated as a percentage of the car's UK list price. The percentage depends on the car's CO2 emissions in grams per kilometre (g/km).



| CO2 emissions (g/km) | Electric range (miles) | Appropriate percentage 26/27* |
|----------------------|------------------------|-------------------------------|
| 0                    | n/a                    | 4%                            |
| 1 – 50               | 130 and over           | 4%                            |
| 1 – 50               | 70 – 129               | 7%                            |
| 1 – 50               | 40 – 69                | 10%                           |
| 1 – 50               | 30 – 39                | 14%                           |
| 1 – 50               | Under 30               | 16%                           |
| 51 – 54              | n/a                    | 17%                           |
| 55 - 59              | n/a                    | 18%                           |
| 60 - 64              | n/a                    | 19%                           |
| 65 - 69              | n/a                    | 20%                           |
| 70 - 74              | n/a                    | 21%                           |
| 75 - 79              | n/a                    | 21%                           |
| > 79                 | n/a                    | +1% per +5g                   |

\* Diesel vehicles not meeting the RDE2 standard will be liable to a 4% surcharge, up to a maximum of 37%.

The list price is on the day before first registration, including most accessories, and is reduced by any employee's capital contribution (max £5,000) when the car is first made available. Where the cost of all fuel for private use is borne by the employee, the fuel benefit is nil. Otherwise, the fuel benefit is calculated by applying the car benefit percentage to the car fuel benefit multiplier (below).

| Company car fuel            | 2026/27 | 2025/26 |
|-----------------------------|---------|---------|
| Car fuel benefit multiplier | £29,200 | £28,800 |

| Company vans*               | 2026/27 | 2025/26 |
|-----------------------------|---------|---------|
| Van benefit charge          | £4,170  | £4,020  |
| Van fuel benefit multiplier | £798    | £769    |

\* Applies where private use is more than home-to-work travel. Payments by employees for private use may reduce these benefits-in-kind. Zero-emission vans have a benefit value of £0.



## TAX-FREE MILEAGE ALLOWANCES

|                                       |                             |     |
|---------------------------------------|-----------------------------|-----|
| Cars and vans, inc. electric vehicles | First 10,000 business miles | 45p |
|                                       | Thereafter                  | 25p |
| Motorcycles                           | 24p                         |     |
| Bicycles                              | 20p                         |     |
| Business passenger                    | 5p                          |     |

The tax-free business mileage allowance rates apply for qualifying business journeys incurred by employees using their own vehicles over the course of the tax year.

For National Insurance purposes, a 45p rate might apply for all business miles incurred by cars and vans.



## CAPITAL GAINS TAX

|  | 2026/27 | 2025/26 |
|--|---------|---------|
| <b>Annual exemption: Individuals, estates, etc</b> | £3,000  | £3,000  |
| <b>Trusts generally</b>                            | £1,500  | £1,500  |

|  | 2026/27                                  | 2025/26                                  |
|--|--|--|
| <b>Below UK higher rate band Tax rate</b>                  | 18%                                      | 18%                                      |
| <b>Within UK higher and additional rate bands Tax rate</b> | 24%                                      | 24%                                      |
| <b>Trusts and estates Tax rate</b>                         | 24%                                      | 24%                                      |
| <b>Residential property surcharge</b>                      | N/A (included within standard CGT rates) | N/A (included within standard CGT rates) |
| <b>Carried interest</b>                                    | Taxed as income from 6 April 2026        | 32% CGT rate                             |

### Business Asset Disposal Relief

For 2026/27: 18% lifetime limit of £1,000,000 for disposals of trading businesses and companies (minimum 5% participation) held for at least 2 years (subject to certain conditions).

## INHERITANCE TAX

|  | 2026/27        | 2025/26        |
|--|----------------|----------------|
| <b>Nil-rate band limit*</b>                                      | £325,000       | £325,000       |
| <b>Main residence nil-rate band**</b>                            | £175,000       | £175,000       |
| <b>Business property relief and agricultural property relief</b> | 50% or<br>100% | 50% or<br>100% |

\* Up to 100% of the unused part of a person's NRB and RNRB can be claimed by the surviving spouse/civil partner, subject to the RNRB taper below.

\*\* For estates in excess of £2m the RNRB is reduced by £1 for every £2 of value by which the estate exceeds the taper threshold.



## TAX RATES

|   | 2026/27 | 2025/26 |
|---|---------|---------|
| <b>Main rate</b>                                    | 40%     | 40%     |
| <b>Chargeable on lifetime transfers</b>             | 20%     | 20%     |
| <b>Transfers on or within seven years of death*</b> | 40%     | 40%     |
| <b>Reduced rate**</b>                               | 36%     | 36%     |

\* Subject to the table below.

\*\* Applies if 10% or more of net chargeable estate is left to certain registered charities.

| <b>Years before death</b> | <b>0 – 3</b> | <b>3 – 4</b> | <b>4 – 5</b> | <b>5 – 6</b> | <b>6 – 7</b> |
|---------------------------|--------------|--------------|--------------|--------------|--------------|
| <b>Tax reduced by</b>     | 0%           | 20%          | 40%          | 60%          | 80%          |

## UK COMPANY TAXATION

| Financial year from 1 April | 2026/27  | 2025/26  |
|-----------------------------|----------|----------|
| Corporation tax main rate*  | 25%      | 25%      |
| Loans to participators      | 35.75%   | 33.75%   |
| Diverted profits tax        | 31%      | 31%      |
| Small profits rate          | 19%      | 19%      |
| Lower threshold             | £50,000  | £50,000  |
| Upper threshold             | £250,000 | £250,000 |

\*A tapered rate applies to profits falling between £50,000 and £250,000 in 2024/25 and 2025/26.



## MAIN CAPITAL ALLOWANCES

### INITIAL ALLOWANCES

|  |      |
|--|------|
| Annual investment allowance: on first £1m (excludes cars)  | 100% |
| First-year allowance: (for qualifying main rate expenditure incurred on/after 1 January 2026) (Including new and unused) | 40%  |
| First-year allowance: including new and unused electric and zero-emission cars and goods vehicles                        | 100% |
| First-year allowance: Special rate plant and machinery (new and unused)  | 50%  |
| Full expensing relief: plant and machinery (Including new and unused).   | 100% |

### WRITING-DOWN ALLOWANCES

|  |     |
|--|-----|
| Plant and machinery main-rate expenditure    | 14% |
| Plant and machinery special-rate expenditure | 6%  |

|   |                  |     |
|---|------------------|-----|
| Cars  | 1 – 50g/km       | 18% |
|   | More than 50g/km | 6%  |
| Structures and buildings allowance – straight-line relief |                  | 3%  |

## VAT

| From 1 April 2026 | Rate | VAT fraction |
|-------------------|------|--------------|
| Standard rate     | 20%  | 1/6          |
| Reduced rate      | 5%   | 1/21         |

## TAXABLE TURNOVER LIMITS

| From 1 April                                       | 2026    | 2025    |
|--|---------|---------|
| Registration (last 12 months or next 30 days) over | £90,000 | £90,000 |

|   |          |          |
|---|----------|----------|
| Deregistration (next 12 months) under             | £88,000  | £88,000  |
| Annual and cash accounting schemes turnover limit | £1.35m   | £1.35m   |
| Flat-rate scheme turnover limit                   | £150,000 | £150,000 |

## RESEARCH AND DEVELOPMENT (R&D)

|                                   |       |
|-----------------------------------|-------|
| Capital expenditure               | 100%  |
| R&D merged scheme                 | 20%   |
| R&D intensive SME payable credit  | 14.5% |
| R&D intensive SME intensity ratio | 30%   |

## TAX-EFFICIENT INVESTMENTS

| Annual investment limit                | 2026/27            | 2025/26 |
|--|--------------------|---------|
| ISA                                    | £20,000            | £20,000 |
| Lifetime ISA*                          | £4,000             | £4,000  |
| Help-to-buy ISA (existing savers only) | Up to £200 a month |         |

|  |          |          |
|--|----------|----------|
| Junior ISA and child trust fund                        | £9,000   | £9,000   |
| Venture capital trust at 30% (20% after 5 April 2026). | £200,000 | £200,000 |
| Enterprise investment scheme at 30%**                  | £1m      | £1m      |
| Seed EIS (SEIS) at 50%                                 | £200,000 | £200,000 |

\* Reduces ISA limit by amount invested in Lifetime ISA.

\*\* Up to £2m if at least £1m of that is invested in knowledge-intensive companies.

## REGISTERED PENSIONS

|                                    | 2026/27                   | 2025/26 |
|------------------------------------|---------------------------|---------|
| Lifetime allowance limit*          | None                      | None    |
| Money purchase annual allowance    | £10,000                   | £10,000 |
| Annual allowance limit**           | £60,000                   | £60,000 |
| Minimum age for accessing benefits | 55 (57 From April 6 2028) | 55      |
| Maximum tax-free pension lump sum  | 25% of pension fund value |         |

\* The lifetime allowance ended in April 2024 and was replaced by new allowances, including an overseas transfer allowance (OTA) for pensions transferred abroad.

\*\* Tapered at a rate of 50% of excess income down to £10,000 if threshold income over £200,000 and adjusted income over £260,000. Restrictions can apply based on net-relevant earnings.

Subject to certain conditions, the unused amount of the annual allowance can be carried forward up to three years.

## NATIONAL INSURANCE

| Class 1                |               |                        |               |
|------------------------|---------------|------------------------|---------------|
| Weekly earnings        | Employee rate | Weekly earnings        | Employer rate |
| Up to £242             | Nil*          | Up to £96              | Nil           |
| £243 – £967            | 8%            | Over £96               | 15%**         |
| Over £967              | 2%            |                        |               |
| Over state pension age | 0%            | Over state pension age | 15%           |

\* Entitlement to contribution-based benefits are retained for earnings between £125 and £242 per week.

\*\* 0% for staff under 21 and apprentices under 25 on earnings up to £967 a week.

| Class 1A  |     |
|---|-----|
| On relevant benefits, including car and fuel benefits | 15% |

| Class 2                               |                |
|---------------------------------------|----------------|
| Self-employed small profits threshold | £7,105         |
| Lower profits limit                   | Not applicable |

| Class 3   |               |
|-----------|---------------|
| Voluntary | £18.40 a week |

| Class 4*   |    |
|--|----|
| From 6 April 2026: Self-employed on profits<br>£12,570-£50,270 | 6% |
| Over £50,270   | 2% |

\* Exemption applies if the state retirement age is reached by 6 April 2026.

## EMPLOYMENT ALLOWANCE

|                         |         |
|-------------------------|---------|
| Per employer, per year* | £10,500 |
|-------------------------|---------|

\* One claim only for companies in a group or under common control. Not available if sole employee is a director.

## APPRENTICESHIP LEVY

A 0.5% levy applies to your total pay bill, offset by an annual allowance of £15,000 (equivalent to 0.5% of £3 million). In practical terms, you pay nothing if your pay bill is at or below £3 million; if it exceeds this, you pay 0.5% on the entire bill minus the £15,000 allowance. Further conditions apply, so please contact us for advice.

## STAMP DUTY

|                                     |      |
|-------------------------------------|------|
| Consideration on shares over £1,000 | 0.5% |
|-------------------------------------|------|

## PROPERTY TAXES

Incremental rates of tax are only payable on the part of the property price within each band. An extra 5% rate (8% in Scotland) applies to purchases of additional residential property above £40,000 and all corporate residential properties.

### ENGLAND & NORTHERN IRELAND: STAMP DUTY LAND TAX

| On transfer of residential property* |     | On transfer of non-residential property |    |
|--------------------------------------|-----|---|----|
| £0 – £125,000                        | 0%  | £0 – £150,000                           | 0% |
| £125,001 – £250,000                  | 2%  | £150,001 – £250,000                     | 2% |
| £250,001 – £925,000                  | 5%  | Above £250,000                          | 5% |
| £925,001 – £1.5m                     | 10% |   |    |
| Above £1.5m                          | 12% |   |    |

\* First-time buyers pay nothing on the first £300,000 for properties up to £500,000.

For residential purchases by 'non-natural persons' over £500,000 a rate of 17% applies, subject to certain exclusions.

### SCOTLAND: LAND AND BUILDINGS TRANSACTION TAX

| On transfer of residential property* |     | On transfer of non-residential property |    |
|--------------------------------------|-----|---|----|
| £0 – £145,000                        | 0%  | £0 – £150,000                           | 0% |
| £145,001 – £250,000                  | 2%  | £150,001 – £250,000                     | 1% |
| £250,001 – £325,000                  | 5%  | Above £250,000                          | 5% |
| £325,001 – £750,000                  | 10% |   |    |
| Above £750,000                       | 12% |   |    |

\* First-time buyers pay nothing on the first £175,000.



### WALES: LAND TRANSACTION TAX

| On transfer of residential property |      | On transfer of non-residential property |    |
|-------------------------------------|------|---|----|
| £0 – £225,000                       | 0%   | £0 – £225,000                           | 0% |
| £225,001 – £400,000                 | 6%   | £225,001 – £250,000                     | 1% |
| £400,001 – £750,000                 | 7.5% | £250,001 – £1m                          | 5% |
| £750,001 – £1.5m                    | 10%  | Above £1m                               | 6% |
| Above £1.5m                         | 12%  |   |    |

### RESIDENTIAL PROPERTY DEVELOPER TAX

|                                     |    |
|-------------------------------------|----|
| On annual profits in excess of £25m | 4% |
|-------------------------------------|----|

## IMPORTANT NOTICE

These rates and allowances are based on fiscal announcements made by the UK and Northern Ireland, Scottish and Welsh Governments and are for information only.

All information is subject to change before 6 April 2026 and confirmation by the respective Governments. The above must not be considered advice and no warranty is given for the accuracy or completeness of the details. Professional advice should be sought before making any decisions.

Rates apply to the UK unless stated otherwise.

 **Get in touch for tax-planning advice.**



The Civic Quarter, 19 King Street, Wakefield, West Yorkshire, WF1 2SQ

