

# Handelsbanken

Wealth & Asset Management

## 2021/22

# Tax Rates & Allowances

No.1 Kingsway  
London  
WC2B 6AN

Tel: 020 7045 1320

[wealthandasset.handelsbanken.co.uk](http://wealthandasset.handelsbanken.co.uk)

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email: [clientsupport.hwam@handelsbanken.co.uk](mailto:clientsupport.hwam@handelsbanken.co.uk)

Registered in England No: 4132340

Information correct as per 2021 Budget  
announcements (03/03/2021)

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Handelsbanken Wealth & Asset Management Limited is authorised and regulated by the Financial Conduct Authority in the conduct of investment business, and is a wholly-owned subsidiary of Handelsbanken plc. Tax advice which contains no investment element is not regulated by the FCA.

## Income Tax

**Rates and bands** (other than savings and dividend income)

2021/22		2020/21	
Band £	Rate %	Band £	Rate %
0 - 37,700	20	0 - 37,500	20
37,701 - 150,000	40	37,501 - 150,000	40
Over 150,000	45	Over 150,000	45

Income tax rates in Scotland and Wales on income other than savings and dividend income have been devolved.

### Savings income 2021/22 and 2020/21

Savings allowance basic rate	£1,000
Savings allowance higher rate	£500

*A starting rate of 0% may be available unless taxable non-savings income exceeds £5,000.*

### Dividend income 2021/22 and 2020/21

Dividend allowance	£2,000
Dividend ordinary rate	7.5%
Dividend upper rate	32.5%
Dividend additional rate	38.1%

## Income Tax Reliefs

	2021/22	2020/21
Personal allowance	£12,570	£12,500
Personal allowance income limit	£100,000	£100,000
Marriage allowance	£1,260	£1,250
Married couple's allowance	£9,125	£9,075
- minimum amount	£3,530	£3,510
- income limit	£30,400	£30,200
Blind person's allowance	£2,520	£2,500

## Individual Savings Accounts

	2021/22	2020/21
Overall investment limit	£20,000	£20,000
Junior account investment limit	£9,000	£9,000

# Devolved Income Tax

## Scotland rates and bands

2021/22		2020/21	
Band £	Rate %	Band £	Rate %
0 - 2,097	19	0 - 2,085	19
2,098 - 12,726	20	2,086 - 12,658	20
12,727 - 31,092	21	12,659 - 30,930	21
31,093 - 150,000	41	30,931 - 150,000	41
Over 150,000	46	Over 150,000	46

## Wales rates and bands

2021/22		2020/21	
Band £	Rate %	Band £	Rate %
0 - 37,700	20	0 - 37,500	20
37,701 - 150,000	40	37,501 - 150,000	40
Over 150,000	45	Over 150,000	45

# Capital Gains Tax

	2021/22	2020/21
<b>Individuals</b>		
Exemption	£12,300	£12,300
Standard rate	10%	10%
Higher/additional rate	20%	20%
<b>Trusts</b>		
Exemption	£6,150	£6,150
Rate	20%	20%

*Higher rates (18/28%) may apply to the disposal of certain residential property and carried interest.*

## Business Asset Disposal Relief

*The first £1m of qualifying gains are charged at 10%.*

# Inheritance Tax

Death rate	Lifetime rate	Chargeable transfers 2021/22 and 2020/21
Nil	Nil	0 - £325,000 (nil rate band)
40%	20%	Over £325,000

*A further nil rate band of £175,000 may be available in relation to current or former residences.*

## Car, Van and Fuel Benefits

2021/22	Cars registered pre 6.4.20	Cars registered after 5.4.20
CO <sub>2</sub> emissions g/km	% of list price taxed	% of list price taxed
0	1	1
1-50		
Electric range - 130 or more	2	1
70 - 129	5	4
40 - 69	8	7
30 - 39	12	11
under 30	14	13
51-54	15	14
For every extra 5	+1	+1
160 and above	37	n/a
165 and above	n/a	37

For fully diesel cars generally add a 4% supplement (unless the car is registered on or after 1 September 2017 and meets the Euro 6d emissions standard) but the maximum is still 37%. For emissions of 75g/km or more if the CO<sub>2</sub> figure does not end in a 5 or 0 round down to the nearest 5 or 0.

### 2021/22

Car fuel benefit	£24,600
Van benefit	£3,500
Van fuel benefit	£669

## National Insurance

### 2021/22 Class 1 (employed) rates

Employee		Employer	
Earnings per week	%	Earnings per week	%
Up to £184	Nil	Up to £170	Nil
£184.01 - £967	12	Over £170	13.8
Over £967	2		

Entitlement to contribution-based benefits for employees retained for earnings between £120 and £184 per week. The employer rate is 0% for employees under 21 and apprentices under 25 on earnings up to £967 per week.

- Class 1A (employers)** 13.8% on employee taxable benefits
- Class 1B (employers)** 13.8% on PAYE Settlement Agreements
- Class 2 (self-employed)** flat rate per week £3.05  
small profits threshold £6,515 per annum
- Class 3 (voluntary)** flat rate per week £15.40
- Class 4 (self-employed)** 9% on profits between £9,568 and £50,270 plus 2% on profits over £50,270

## Selected Rates

	2021/22	2020/21
<b>Weekly benefit</b>	£	£
<b>Basic State Pension</b>	137.60	134.25
<b>New State Pension</b>	179.60	175.20
<b>Statutory pay standard rates</b>		
- average weekly earnings £120 (£120) or over		
Sick Pay	96.35	95.85
Maternity/Adoption Pay	151.97	151.20
Shared Parental Pay	151.97	151.20
Paternity Pay	151.97	151.20

## National Living Wage and National Minimum Wage

Age	NLW	21-22	18-20	16-17	Apprentices
From 1 April 2021	£8.91	£8.36	£6.56	£4.62	£4.30

*Applies to apprentices under 19, or 19 and over in the first year of apprenticeship.  
NLW applies to those aged 23 and over.*

## Key Dates and Deadlines

Payment Dates		2021/22	2020/21
<b>Income Tax and Class 4 NIC</b>			
1st payment on account	31 January	2022	2021
2nd payment on account	31 July	2022	2021
Balancing payment	31 January	2023	2022
<b>Class 2 NIC</b>	31 January	2023	2022
<b>Capital Gains Tax</b>	31 January	2023	2022
<b>Class 1A NIC</b>	19 July	2022	2021

**Corporation Tax** – 9 months and one day after the end of accounting period (quarterly instalments if large company)

### 2020/21 Returns Filing Deadlines:

- 31 May 2021 - P60s to employees
- 6 July 2021 - P11D and P11D(b) and copies to employees
- 31 October 2021 - paper Self Assessment Tax Return (SATR)
- 30 December 2021 - SATR Online where outstanding tax (subject to cap) to be included in 2022/23 PAYE code
- 31 January 2022 - SATR Online

## Corporation Tax

	Rate %		Rate %
Year to 31.3.22	19	Year to 31.3.21	19

*Different rates apply for ring-fenced (broadly oil industry) profit.*

## Capital Allowances

**Corporation tax super-deduction** on certain plant and machinery **130%**

**First Year Allowance (FYA)** on certain plant, machinery and cars of 0g/km **100%**

**Corporation tax FYA** on long-life assets, integral features of buildings, etc. **50%**

**Annual Investment Allowance (AIA) £1,000,000 (£200,000 from 1 January 2022)**

Excludes cars

### Writing Down Allowance

Long-life assets, integral features of buildings, cars over 50g/km **6%**

Other plant and machinery **18%**

**Structures and Buildings Allowance** **3%**

## Pensions

	2021/22	2020/21
Lifetime Allowance limit	£1,073,100	£1,073,100
Annual Allowance limit	£40,000	£40,000
Money Purchase Annual Allowance	£4,000	£4,000

## Value Added Tax

	From 1.4.21	From 1.4.20
Standard rate	20%	20%
Reduced rate	5%*	5%
Annual Registration Limit	£85,000	£85,000
Annual Deregistration Limit	£83,000	£83,000

*\*12.5% for hospitality and tourism from 1 October 2021 - 31 March 2022.*

# Property Taxes

Across the whole of the UK, residential rates may be increased by 3% (4% in Scotland and Wales) where further residential properties are acquired.

## Stamp Duty Land Tax

Land and buildings in England and N. Ireland

Residential Band £	Rate %	Non-residential Band £	Rate %
0 - 500,000*	0	0 - 150,000	0
*500,001 - 925,000	5	150,001 - 250,000	2
925,001 - 1,500,000	10	Over 250,000	5
Over 1,500,000	12		

\*£250,000 from 1 July 2021. From 1 October 2021, 0% up to £125,000, 2% from £125,001 - £250,000 and 5% from £250,001 - £925,000.

## Land and Buildings Transaction Tax

Land and buildings in Scotland

Residential Band £	Rate %	Non-residential Band £	Rate %
0 - 145,000	0	0 - 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 Buyer relief may apply on the first £175,000 of residential purchases.

## Land Transaction Tax

Land and buildings in Wales

Residential Band £	Rate %	Non-residential Band £	Rate %
0 - 250,000*	0	0 - 225,000	0
*250,001 - 400,000	5	225,001 - 250,000	1
400,001 - 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		

\*The rates are 0% up to £180,000, 3.5% from £180,001 - £250,000 and 5% from £250,001 - £400,000 from 1 July 2021.

Disclaimer: Rates are for guidance only. No responsibility for loss occasioned by any person acting/refraining from action as a result of this information can be accepted by the authors or firm.

# **Our Services**

## **Wealth Strategy**

- Establish key objectives, develop plan and agree actions

## **Tax planning and advice**

- Tax-efficient asset and investment ownership
- UK residence and domicile advice
- Property and business ownership planning
- Tax return production and HMRC liaison

## **Retirement planning**

- Lifetime cashflow planning
- Simplification of pension arrangements
- Maximising tax-efficient contributions
- Lifetime Allowance management and protection

## **Estate and Inheritance planning**

- Lifetime gifting and asset protection
- Business and agricultural property advice
- Trust and Wills structuring
- Effective charitable gifting

## **Investment Management**

- Award winning global multi asset investment solutions
- Total return, income and sustainable strategies
- Stocks and Shares ISAs, funds and bespoke portfolios

**The value of investments and any income from them can fall and you may get back less than you invested.**