

A snapshot of the current tax landscape



Income Tax

You pay income tax on earnings from employment and profits from self-employment during the tax year, which runs from 6 April to 5 April the following year.



£12,570

Income tax personal allowance has been **frozen** until **April 2028** at **£12,570**.



National Insurance

You pay National Insurance contributions to qualify for certain benefits and the State Pension.

This is not paid on the first **£12,571 you earn in a year.**

It is then charged at **12%** on earnings up to **£50,271**, and **2%** on any money made above that.

The main National Insurance thresholds will also remain frozen until April 2028.



Capital Gains Tax

Capital Gains Tax is a tax on the profit when you sell something that's increased in value.

The Capital Gains Tax allowance from **April 2023** is **£6,000** and the government plans to reduce the allowance again in April 2024.

£12,300 2022/23

£6,000 2023/24

£3,000 2024/25



Remember, it's the gain you make that's taxed, not the amount of money you receive.



Inheritance Tax

Inheritance Tax is a tax on the estate (the property, money and possessions) of someone who's died.

£350,000

The standard **Inheritance Tax rate is 40%** but's only charged on the part of your estate that's above a threshold of **£350,000**

You also don't pay tax if you leave everything above this threshold to your spouse, civil partner, a charity or an amateur sports club.



Gifts

When it comes to gifting (in other words giving some of your estate as a gift to someone else) there are tax exemptions.

- Annual Exemption
- Small Gifts Exemption
- Regular Gifts out of Income Exemption
- Gifts on occasion of marriage/civil partnership
- Gifts to UK/EEA charities
- Gifts to spouse/civil partner
- Expenditure on family maintenance





For a more detailed view of the tax landscape, our **2023 Tax Planning guide** sets out exactly what you need to know, **download your copy today.**