

Adams Accountancy

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2025/26 -Personal taxes

Income tax				
	2025/26	2024/25		
Starting rate for savings only income 0%	£5,000	£5,000		
Basic rate 20%	£37,700	£37,700		
Higher rate 40%	£37,701-	£37,701-		
	£125,140	£125,140		
Additional rate 45%	£125,140+	£125,140+		
Personal allowance*	£12,570	£12,570		
*reduced by £1 for every				
£2 earned over £100,000				
Dividend allowance 0%	£500	£500		
Basic rate 8.75%	£37,700	£37,700		
Higher rate 33.75%	£37,701-	£37,701-		
	£125,140	£125,140		
Additional rate 39.35%	£125,140+	£125,140+		

Capital Gains Tax

•		
	2025/26	2024/25
Individual exemption	£3,000	£3,000
Chattels exemption	£6,000	£6,000
Trusts exemption	£1,500	£1,500
Transfers between spouse living together are exempt		
Main rate	24%	20%*
Basic rate	18%	10%*
Entrepreneur's rate**	14%	10%
*Applies from 6 October 2024		

INI CONTINUUTONS				
2025/26				
Class 1				
Employer				
Weekly earnings	% paid on all earnings			
£0-£96	0.0%			
Over £96	15.0%			
Employee				
Weekly earnings	% paid on all earnings			
£0-£125	N/A			
£126-£242	0.0%			
£243-£967	8.0%			
Over £967	2.0%			
Class 1A employer	15.0%			
Class 2 Self-employed *	£3.50 per week			
Class 3 Voluntary	£17.75 per week			
Class 4 Self-employed				
£0-£12,570	0.0%			
£12,571-£50,270	6.0%			
Over £50,270	2.0%			
*payable on a voluntary basis only				

NI Contributions

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2025/26					
Nil rate	e band		£32	5,000	
Reside	nce nil ra	ate band	£17	5,000	
Tax rat	e*		40%	6	
*36% \	where 10	% left to	charity	,	
Exemp	t transfe	ers			
Gifts to	UK don	niciled s	oouse		
Gifts to	oversea	as domic	iled spo	use - £3	25,000
Gifts to charity					
Annual exemption - £3,000					
Small gifts - £250					
Wedding gifts - £5,000 to child, £2,500 to					
grandchild, £1,000 to others					
Lifetim	e tax rat	e	20%		
No IHT	on trans	sfers to i	ndividua	als unles	S
death is within 7 years					
Tax rate for gifts made within 7 years of death					
Years	0-3	3-4	4-5	5-6	6-7
%	100%	80%	60%	40%	20%

Inheritance Tay

Inheritance tax matters can be complex and we recommend you seek the advice of a qualified estate planner or inheritance tax planning specialist when making decisions about your future financial planning.

r ensions		
	2025/26	2024/25
Annual	100% of n	et relevant
allowance	earr	nings
Capped at	£60,000	£60,000

Dancions

Unused pension allowance may be used from the previous three tax years (£60,000 for 2024/25, 2023/24 and £40,000 for 2022/23) Amount is tapered if adjusted annual income exceeds £260,000 (£240,000 in 2022/23)

Money purchase annual allowance (if in drawdown) is £10,000

Lifetime allowance is now unlimited. Amounts exceeding £1,073,100 are taxed at marginal rates if extracted as a lump sum.

ISAs

	2025/26	2024/25
Annual	£20,000	£20,000
Allowance		
Lifetime	£4,000	£4,000
Help to Buy £1000* £1,000*		
*Initial investment then £200 pm		

^{**} Available on first £1million of eligible gains in lifetime where disposal is after 11th March 2020.



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2025/26 - Business taxes

Corporation tax			
	2025/26	2024/25	
Profits	19.0%	19.0%	
£0-£50,000			
£50,001-£250,000	26.5%	26.5%	
Over £250,000	25.0%	25.0%	

Value Added Tax

Standard rate	20.0%
Turnover registration limit	£90,000
Turnover deregistration limit	£88,000
Cash/annual accounting	£1.35m exc.
registration limit	VAT
Cash/annual accounting de	£1.6m exc.
registration limit	VAT
Flat rate scheme registration	£150,000 exc.
limit	VAT
Flat rate scheme deregistration	£230,000 inc.
limit	VAT

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Capital Allowances		
2025/26		
Plant & Machinery*	18% reducing balance	

Computer	18% reducing balance
equipment*	
Integral features	6% reducing balance
Structures and	3% straight line basis
buildings	
Goodwill	4% on certain
	unconnected party
	transactions only
Vehicles (based on	
emissions)	
	100% if purchased
0g/km CO2	new & unused
Up to 50g/km	18% reducing balance
51g/km or more	6% reducing balance
*Annual investment allowance – 100% on	
certain capital expenditure up to £1m per	

Vehicle Benefits

Car benefit - % of original vehicle price*

Car fuel benefit - % of £28,200*
*% depends on CO2 emissions level.
Van benefit - £4,020 if any private use. Travel from home to work is not considered private use.

Van fuel benefit - £769

annum.

Tax	Payme	nt Deadl	ines

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Income tax, NICs and	31 January
capital gains tax	
Payment on account	31 July
CGT on residential	60 days following sale
property	
Corporation tax	
Profits under £1.5	9 months + 1 day after
million	end of accounting
	period
Profits £1.5-£20	7 th , 10 th , 13 th and 16 th
million	months after start of
	the accounting period
- 6:	
Profits over £20	3 rd , 6 th , 9 th , 12 th
million	months after start of
	accounting period
Inheritance tax	6 months after end of
	month of death
Lifetime transfers (6	
April to 30	30 April of following
September)	year
Lifetime transfers (1	
October to 5 April)	6 months after end of
	month of transfer
VAT	1 month and 7 days
	following end of the
	quarter
CIS	14 days following
	month end on 5 th of
	month

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<u>Tax-deductible expenses</u>

Self-assessment tax guide