

UK TAX TABLE 2026/27

INCOME TAX

RATES, MAIN PERSONAL ALLOWANCES & RELIEFS (ENGLAND, WALES & NORTHERN IRELAND)

NON-SAVINGS, NON-DIVIDEND INCOME	BAND	RATE
Non-taxpayer	<£12,570	0%
Basic Rate	£12,571 - £50,270	20%
Higher Rate	£50,271 - £125,140	40%
Additional Rate	£125,141+	45%
Higher Income Child Benefit Charge	£60,000 - £80,000	

(lose 1% of benefit for every £200 of adjusted net income over threshold).

The tax charge will equal the amount of the Child Benefit payment received if earnings over threshold.

SAVINGS INCOME	PSA	THRESHOLD	RATE
Savings income - starting rate	<£5,000*	<£12,570*	0%
Savings income - basic rate	£1,000	Up to £50,270**	20%*
Savings income - higher rate	£500	£50,271 - £125,140	40%
Savings income - additional rate	£0	£125,141+	45%

*Starting rate of savings allowance up to £5,000 is not taxed if your non-savings income is below £17,570; reduces by £1 for every £1 over.

**Threshold of taxable savings interest above which the higher rate applies.

***Threshold of taxable savings interest above which additional rate applies.

PENSIONS

	LIMIT
Annual Allowance*	£60,000**
Money Purchase Annual Allowance	£10,000
Lump Sum Allowance	£268,275
Lump Sum and Death Benefit Allowance	£1,073,100
Overseas Transfer Allowance	£1,073,100

*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.

**The annual allowance is £60,000 or up to your earnings for the tax-year, whichever amount is lower.

INDIVIDUAL SAVINGS ACCOUNTS (ISA)

	LIMIT
Total ISA limit (excluding Junior ISA)	£20,000
Lifetime ISA	£4,000
Junior ISA and Child Trust Fund	£9,000 per child

PERSONAL ALLOWANCES	RATE
Personal Allowance* (PA)	£12,570
Marriage Allowance***	£1,260

*Personal Allowance reduces by £1 for every £2 adjusted net income over £100,000, up to £125,140 - where the personal allowance is eliminated.

***One spouse/civil partner can transfer up to 10% of the Personal Allowance to the other, provided neither is liable to tax above the basic rate.

DIVIDEND INCOME	DIVIDEND ALLOWANCE	RATE
Dividends - basic rate	£500	10.75%
Dividends - higher rate	£500	35.75%
Dividends - additional rate	£500	39.35%

INHERITANCE TAX (IHT)

TAX ON DEATH TRANSFERS	IHT ALLOWANCE	RATE
Nil Rate Band (NRB)	£325,000	40%
Residence Nil Rate Band (RNRB)*†	£175,000**	40%

*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.

MAIN EXEMPTIONS

TRANSFERS TO;	
- UK-domiciled spouse/civil partner	No limit
- non-UK-domiciled spouse/civil partner (from UK-domiciled spouse)	£325,000
- UK-registered charities	No limit

LIFETIME TRANSFERS	
- Annual gift allowance	£3,000
- Small gifts exemption	£250

WEDDING/CIVIL PARTNERSHIP GIFTS BY	
- Parent	£5,000
- Grandparent	£2,500
- Other person	£1,000

Taper relief may be available to reduce the tax payable for non-exempt lifetime gifts made between three and seven years before the death of the donor. Where tax is payable on chargeable lifetime gifts, tax is initially charged at 20%.

RELIEFS	
Businesses, Unlisted Shares & Some Farms	100% up to a maximum of £2,500,000 with 50% thereafter
AIM shares & Certain Other Assets	50%

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NATIONAL INSURANCE CONTRIBUTIONS (NICs)

CLASS 1	EMPLOYEE	EMPLOYER
NICs Rate	8%	15%
No NICs for employees generally on the first	£242 pw	£96 pw
No NICs for younger employees* on the first	£242 pw	£967 pw
NICs rate charged up to	£967 pw	No Limit
2% earnings over	£967 pw	N/A

*No employers NICs on the first £967 pw for employees generally under 21 years, apprentices under 25 years and veterans in the first 12 months of civilian employment.

No employer NICs on the first £481 pw for employees at freeports and investment zones in Great Britain in the first 36 months of employment.

EMPLOYMENT ALLOWANCE	RATE
Per business - not available if sole employee is a director)	£10,500

OTHER	NOTES	RATE
Class 1A Employer	On most employees' and directors taxable benefits	15%
Class 2 (Self-employed)	Flat Rate Per Week (Voluntary) Small Profits Threshold: £7,105	£3.65 (£189.80 pa)
Class 3 (Voluntary)	Flat Rate Per Week	£18.40 (£956.80 pa)
Class 4 (Self-employed)	Annual Profits of £12,570-£50,270: Over £50,270:	6% 2%

CORPORATION TAX

PROFITS	DIVERTED PROFITS	EFFECTIVE RATE
£0 - £50,000	31%	19%
£50,001 - £250,000	31%	26.5%
£250,001 and above	31%	25%

VALUE ADDED TAX (VAT)

	RATE
Standard Rate	20%
Domestic Fuel	5%
Registration Level	£90,000
Deregistration Level	£88,000
Flat Rate Scheme Turnover Limit	£150,000
Cash and Annual Accounting Scheme Turnover Limit	£1,350,000


CAPITAL GAINS TAX (CGT)

	RATE
Annual Exemption:	
- Individuals, Estates Etc	£3,000
- Trusts Generally	£1,500
Below UK Higher Rate Tax Band	18%
Within UK Higher and Additional Rate Tax Bands	24%
Carried Interest (All Tax Bands)	N/A
Trusts and Estates Tax Rate	24%
Business Asset Disposal Relief (BADR):	
18% (14% 25/26) on lifetime limit of £1,000,000 for trading businesses and companies (minimum 5% participation) held for at least 2 years	

This information is based on Henson Crisp's interpretation of current law and legislation, and our understanding of HM Revenue & Customs (HMRC) practice as at April 2026. These laws and legislation are subject to change and may be challenged by HMRC or other regulatory bodies. This information is provided for informational purposes only. Henson Crisp takes no responsibility for any decisions or actions taken as a result of the information provided and should not be relied upon in place of professional advice. You should seek appropriate professional assistance where formal advice is required.

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