

Income tax rate

PAYE tax rate 2023-24	Rate of tax	Annual earnings the rate applies to (above the PAYE threshold)
Basic tax rate	20%	Up to £37,700
Higher tax rate	40%	From £37,701 to £125,140
Additional tax rate	45%	Above £125,140

National Minimum Wage

These rates apply from 1 April 2023.

Category of worker	Hourly rate
Aged 23 and above (national living wage rate)	£10.42
Aged 21 to 22 inclusive	£10.18
Aged 18 to 20 inclusive	£7.49
Aged under 18 (but above compulsory school leaving age)	£5.28
Apprentices aged under 19	£5.28
Apprentices aged 19 and over, but in the first year of their apprenticeship	£5.28

National Insurance Contribution

Deduct primary contributions (employee's National Insurance) from your employees' pay through PAYE. Class A

Lower earning limit 0%, Above upper earning limit 2%, mid 12%

The National Insurance Class 1A rate on expenses and benefits for 2023 to 2024 is 13.8%.

Dividend tax rate

Tax year	Dividend allowance
6 April 2022 to 5 April 2023	£2,000
Tax band	Tax rate on dividends over the allowance
Basic rate	8.75%
Higher rate	33.75%
Additional rate	39.35%

Capital gain taxes

FY 2022/23 below £50,270 is 10% (18% for residential property) and for higher gain 20% (28% for residential property)

Stamp duty and Land Tax

SDLT threshold – single residential property

£250,000 for – 0% [may claim relief of the first-time buyer up to £425,000]

Next £675,000 (the portion from 250,001 to £925,000) – 5%

Next £575,000 (the portion from £925,001 to £1.5M) – 10%

The remaining amount (the portion above £1.5M) – 12%

Add 3% on second property onwards