

Tax & Benefit Tables 2024-25

A Summary Guide



6th April 2024 - 5th April 2025

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• Savings • Investments • Pensions • Taxation • Trusts & Wills

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Income Tax

Income Tax Rates

Tax Bands	Band Start	Band End	Tax Rate	Dividend Rate
Nil Rate	£0	£12,570	0%	0.00%
Basic Rate	£12,571	£37,700	20%	8.75%
Higher Rate	£37,701	£125,240	40%	33.75%
Additional Rate	£125,241	None	45%	39.35%

Interest Allowance	£0	£5,000	0.0%	Total Income > £17,500
Personal Savings Allowance	£0	£1,000	0.0%	Basic Rate Tax Payers
Personal Savings Allowance	£0	£500	0.0%	Higher Rate Tax Payers
Dividend Allowance	£0	£500	0.0%	All Tax Payers

Other Tax Allowances

Consideration	Threshold	Tax Rate	Notes
Rent a Room	£7,500	0%	Main Residence Ownership
Self-Employed Rental Income	£1,000	0%	Obviates Rent A Room Allowance if utilised.
Self-Employed Earned Income	£1,000	0%	Increases effective threshold to £13,570

National Insurance Contribution Rates

Class	Contributor	Band	Rate	Notes
1	Employed	£6,240	0.0%	National Insurance Contributions are payable on all 'Earned Income' prior to attaining State Pension Age.
		£9,568	8.0%	
		£50,000	2.0%	
2	Voluntary	Any	£800.00	
2	Self Employed	Stamp Rate	£179.40	Self-Employed Stamp Rate is effectively 1.42%.
4		£6,725	1.4%	
		£12,570	6.0%	
		£50,270	2.0%	

Capital Gains Tax

Tax Bands	Annual Allowance	Asset Tax Rate	Property Tax Rate
Nil Rate Tax Payers	£12,570	0%	0%
Basic Rate Tax Payers	£3,000	10%	18%
Higher Rate Tax Payers	£3,000	20%	24%
Govt Gilts & Corporate Bonds	Unlimited	0%	0%
Chattels (Personal Possessions)	£6,000	10% / 20%	-

Individual Savings Accounts (ISA)

Consideration	Annual Allowance	Tax Rate *
Adult ISA (Age 18+)	£20,000	0%
Junior ISA (Age 17-)	£9,000	0%

Personal Pension Accounts

Annual Allowances	Gross Allowance	Maximum Tax Relief	
Minimum Personal Allowance	£2,880 Net (£3,600 Gross)	20%	Reduces to £10,000 within Pension Drawdown.
Maximum Personal Allowance	£60,000 or 100% Earnings if less	20% / 40%	
Contributions in excess of the Annual Allowance are subject to Taxation at the Individual Income Tax Rates			

Lifetime Allowances	Gross Allowance	Maximum Tax Surcharge
Lifetime Allowance	£1,073,000	25% Tax-Free & 75% Taxable Income
Single Tax-Free Cash Allowance	£268,250	(Lifetime Allowance x 25%)
Pension Values in excess of the Lifetime Allowance are subject to 25% Income Drawdown Tax or 50% Capital Withdrawal Tax.		

State Pension

Benefit	Gross Amount	Qualifying Years & Criteria
New State Pension	£11,500.00	35 Years
Pension Deferral Benefit	5.8% Annually	Pension Income or Cash Lump Sum (25% TFC)

Inheritance Tax

UK Status	Maximum Allowance	Allowance Period		Tax Rate
UK Domiciled Individuals	£325 000 Estate + £175,000 Main Residence	Lifetime	£500,000	0%
				40%
UK Domiciled Couples	£650 000 Estate + £350,000 Main Residence	Lifetime	£1,000,000	0%
				40%

Individuals are 'Deemed Domicile' if UK Resident 17+ Years of 20 Years preceeding Death.

Inheritance Tax is reduced to 36% if Charity Donation equals 10% or more of Gross Estate Value. The Charity Donation is also Exempt.

Exempt Gifts	Annual Exemption	Basis
Capital Gifts	£3,000	Each Donor Annual Allowance
Wedding Gifts	£5,000	Each Son/Daughter Recipient
	£2,500	Each Grand-Son/Grand-Daughter Recipient
Small Gifts	£250	Each Individual Recipient (Unlimited)
Registered Charities	Unlimited	Each Charity Recipient (Unlimited)

Potentially Exempt Gifts	Years Preceding Death	IHT Rate Reduction	
Estate Gifts in excess of above exemptions are taxed according to Lifetime Years completed:	0 - 3 Years	0%	Full IHT Charge @ 40%
	3 - 4 Years	20%	Sliding Scale Reduced Charges
	4 - 5 Years	40%	
	5 - 6 Years	60%	
	6 - 7 Years	80%	
	7 Years +	100%	No IHT Charge (0%)

General Notes

Please note that this document is provided for your information only, and is not intended to convey any Financial Advice or Recommendations. Otherwise, we hope that you will find this information to be a useful guide.

The data contained within this document has been sourced and compiled from HMRC, and whilst we believe it to be correct, we may not be held liable for any inaccuracies or subsequent changes to this information.

We would also be happy to help you further if you consider that you would like our Financial Advice on these or any other Financial Planning matters.