



Income Tax

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Bands	2016-17	2015-16
Savings starting rate - 0%*	£0 - £5,000	£0 - £5,000
Basic rate 20%	£0 - £32,000	£0 - £31,785
Higher rate 40%	£32,001 - £150,000	£31,786 - £150,000
Additional rate 45%	Over £150,000	Over £150,000

* Savings income is taxed at 0% up to £5,000 (2015-16: 0% up to £5,000). If an individual's taxable non-savings income exceeds £5,000 then the savings rate will not be available.

Dividend allowance	£5,000	
Dividend ordinary rate	7.5%	10%
Dividend upper rate	32.5%	32.5%
Dividend additional rate	38.1%	37.5%

Personal savings allowance

Basic rate taxpayers	£1,000	—
Higher rate taxpayers	£500	—

Reliefs	2016-17	2015-16
Personal allowance	£11,000	£10,600
Registered blind person's allowance	£2,290	£2,290
Income limit for personal allowance*	£100,000	£100,000

* The personal allowance is gradually withdrawn by £1 for every £2 of income over £100,000.

Married couple allowance - tax relief given at 10%

- Born before 6 April 1935	£8,355	£8,165
- Minimum amount*	£3,220	£3,140
- Income limit	£27,700	£27,700
- Marriage allowance*	£1,100	£1,060

* A tax payer can transfer up to £1,100 of their unused personal allowance to a spouse or civil partner who is not a higher rate tax payer.

High Income Child Benefit Charge* on income over	£50,000	£50,000
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* The tax charge is levied at the rate of 1% of the full child benefit award for each £100 that income exceeds £50,000, up to a maximum of 100% of the child benefit claimed. Taxpayers can choose whether to continue receiving child benefit and pay the tax charge or may opt out of receiving the child benefit.

There is a cap on certain Income Tax reliefs of the greater of £50,000 or 25% of income.

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