



2-4 York Buildings, Cornhill, Bridgwater, Somerset TA6 3BS

## Some Important Tax Rates for 2021/22

<h3>Tax-free Savings for Individuals</h3> <ul style="list-style-type: none"> <li>ISA ALLOWANCE → <b>£20,000</b></li> <li>JUNIOR ISA ALLOWANCE → <b>£9,000</b></li> <li>LIFETIME ISA → <b>£4,000</b></li> </ul>	<h3>Dividend Taxation</h3> <p><b>£2,000</b> tax-free Dividend Allowance</p> <p>Dividends above this level will be taxed at:</p> <ul style="list-style-type: none"> <li><b>7.5%</b> (basic rate)</li> <li><b>32.5%</b> (higher rate)</li> <li><b>38.1%</b> (additional rate)</li> </ul>	<h3>Income Tax Allowances</h3> <p>Income Tax Personal Allowance <b>£12,570</b></p> <p>There is one Income Tax Personal Allowance, regardless of an individual's date of birth</p> <p>Where your adjusted net income exceeds <b>£100,000</b>, the Personal Allowance reduces by £1 for every £2 of adjusted net income above <b>£100,000</b></p>				
<h3>Personal Savings Allowance</h3> <p>Up to <b>£1,000</b> of savings interest tax free to basic rate tax payers</p> <p>and <b>£500</b> for those who pay higher rate tax</p> <p>For additional rate tax payers the allowance is nil</p>	<h3>Pension Annual Allowance</h3> <p>The Annual Allowance is <b>£40,000</b> for 2021/22</p> <p>£1 of Annual Allowance is lost for every £2 of adjusted income over £240,000. The minimum tapered Annual Allowance is £4,000</p>	<h3>Lifetime Allowance</h3> <p>The standard Lifetime Allowance remains at <b>£1,073,100</b></p> <p>This is the amount of pension benefit that can be drawn from pension schemes without triggering an additional tax charge</p>				
<h3>State Pension</h3> <p>Flat rate State Pension increased to <b>£179.60pw</b> from 6/4/21 applicable if you reach State Pension age after 6/4/16 (35 qualifying National Insurance years needed)</p> <p>Old State Pension increased to <b>£137.60pw</b> from 6/4/21</p>	<h3>Inheritance Tax (IHT)</h3> <table border="1"> <tr> <td>Nil-Rate IHT band <b>£325,000</b></td> <td><b>40%</b> IHT payable above this threshold</td> <td>or <b>36%</b> if you leave at least 10% of your assets to charity</td> </tr> </table> <p>Additional main Residence Nil-Rate band (RNRB): Allowance introduced from April 2017 when a residence is passed on death to a direct descendant.</p> <p>For the 2021/22 tax year the allowance is <b>£175,000</b></p> <p>This will be subject to a maximum estate value of £2m</p>		Nil-Rate IHT band <b>£325,000</b>	<b>40%</b> IHT payable above this threshold	or <b>36%</b> if you leave at least 10% of your assets to charity	
Nil-Rate IHT band <b>£325,000</b>	<b>40%</b> IHT payable above this threshold	or <b>36%</b> if you leave at least 10% of your assets to charity				
<h3>Capital Gains Tax</h3> <p>Annual personal CGT exemption → <b>£12,300</b> (Higher rates of 18% and 28% apply to sales of second homes)</p> <p>levied at <b>10%</b> for basic rate taxpayers</p> <p>or <b>20%</b> for higher rate taxpayers *</p> <p>*On gains in excess of the personal exemption, exclusions apply</p>	<h3>Other IHT-free gifts, include;</h3> <table border="1"> <tr> <td>Gifts between UK domiciled husband or wife or between civil partners;</td> <td>Small gifts to other recipients up to <b>£250</b> each in a year</td> </tr> <tr> <td>Total gifts up to <b>£3,000</b> in a year (can be carried forward one tax year)</td> <td>Gifts in consideration of marriage or civil partnership ranging from <b>£5,000</b> from each parent of the couple, to <b>£1,000</b> from anyone else</td> </tr> </table> <p>Failed chargeable lifetime transfers and potentially exempt transfers may receive taper relief on the IHT payable.</p>		Gifts between UK domiciled husband or wife or between civil partners;	Small gifts to other recipients up to <b>£250</b> each in a year	Total gifts up to <b>£3,000</b> in a year (can be carried forward one tax year)	Gifts in consideration of marriage or civil partnership ranging from <b>£5,000</b> from each parent of the couple, to <b>£1,000</b> from anyone else
Gifts between UK domiciled husband or wife or between civil partners;	Small gifts to other recipients up to <b>£250</b> each in a year					
Total gifts up to <b>£3,000</b> in a year (can be carried forward one tax year)	Gifts in consideration of marriage or civil partnership ranging from <b>£5,000</b> from each parent of the couple, to <b>£1,000</b> from anyone else					

It is important to take professional advice before making any decision relating to your personal finances. Information within this document is based on our current understanding of taxation and HMRC rules and can be subject to change in future. It does not provide individual tailored investment advice and is for guidance only. **Some rules may vary in different parts of the UK;** please ask for details. We cannot assume legal liability for any errors or omissions it might contain. Levels and bases of, and reliefs from taxation are those currently applying or proposed and are subject to change; their value depends on the individual circumstances of the investor. Nexus IFA Ltd is an Appointed Representative of The Whitechurch Network Limited which is authorised and regulated by the Financial Conduct Authority. Reg. in England & Wales No. 07542873. Reg. Office as above.