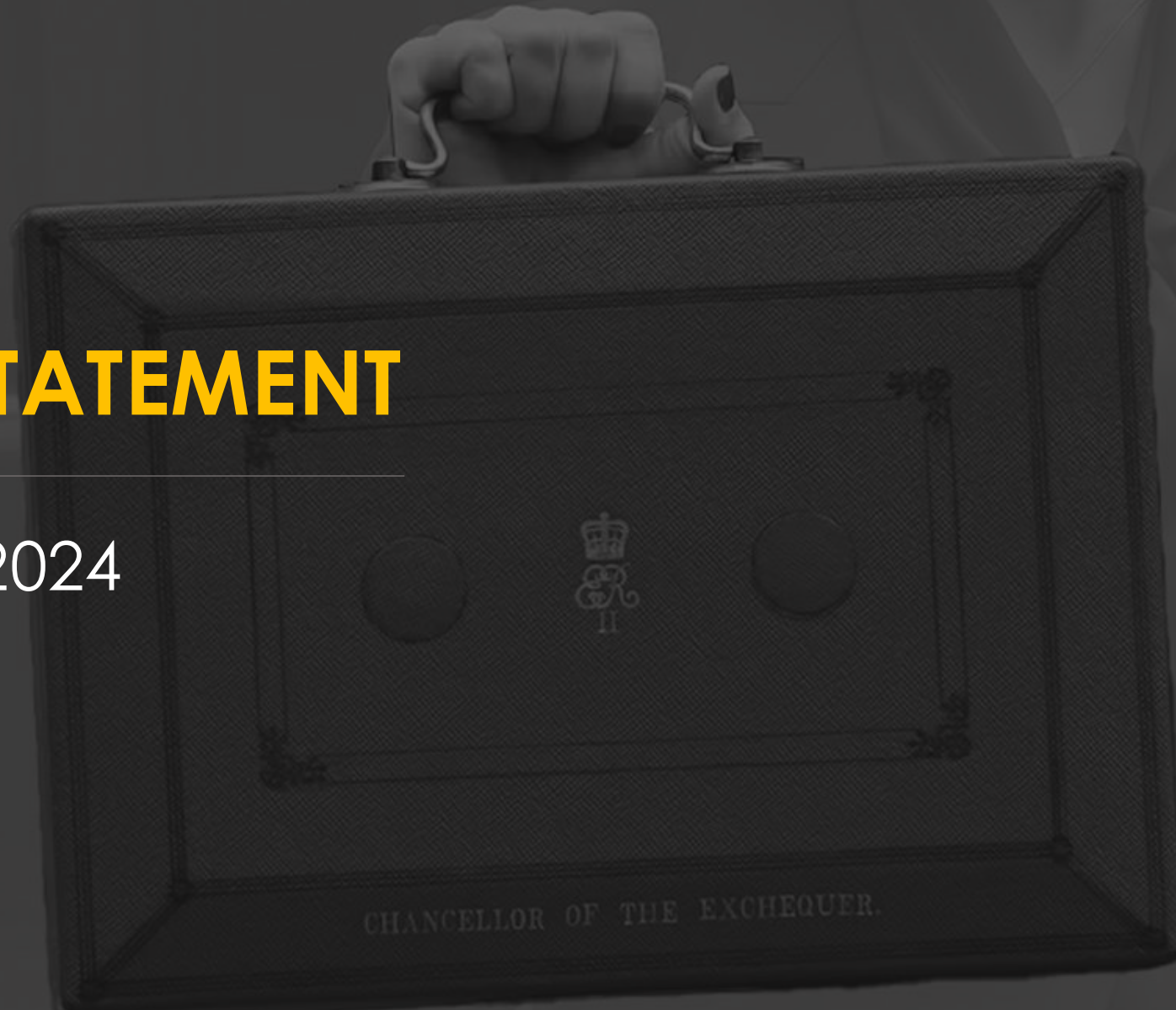


AUTUMN STATEMENT

30 OCTOBER 2024





FUEL DUTY

- Fuel duty will remain frozen, ensuring no additional taxes at the petrol pump next year.



NATIONAL INSURANCE CONTRIBUTIONS BY EMPLOYERS

- Despite raising employers' National Insurance (NI) by 1.2% and lowering the threshold for employer contributions from £9,100 to £5,000, the Chancellor announced an increase in the rebate employers can claim on their NI bill, from £5,000 to £10,500.

VAT ON PRIVATE SCHOOL FEES

- VAT will be applied to private school fees in January 2025.



BUSINESS RATES

- The existing 75% business rates discount, set to end in April 2025, will be replaced with a 40% discount, capped at £110,000. This change means many businesses will experience nearly a doubling of their business rates, rather than a fourfold increase.

R&D IN THE SCIENCE SECTOR

- The government will safeguard investments in research and development "to unlock future growth industries" with over £20 billion in funding.
- This will include at least £6.1 billion to support core research areas such as engineering, biotechnology, and medical science.



PENSIONS

- The State Pension will increase by 4.1% for the 2025/26 period, as part of the government's commitment to uphold the triple lock guarantee.
- There was no mention of limiting the amount of 'tax free cash' that can be taken from a pension, beyond the existing limits and no changes to tax relief arrangements or the introduction of NI on pension contributions.

MINIMUM WAGE

- Starting in April 2025, the minimum wage for individuals over 21, officially known as the National Living Wage, will increase by 6.7%, rising from £11.44 to £12.21 per hour.
- The minimum wage for 18 to 20-year-olds will see a jump from £8.60 to £10 per hour.
- Apprentices will experience the largest pay increase, with their hourly wage rising from £6.40 to £7.55.

EMPLOYMENT/INCOME TAX

- No increase to Employees NIC.
- No increase to Income Tax.
- Increase to Employers NIC to 15% from April 2025 and reduce secondary threshold to £5k.
- Employment allowance for NICs increased to £10,500.
- From 2028/29 tax thresholds to increase in line with inflation.

CAPITAL GAINS

- Lower rate and higher rate CGT increased to 18% and 24% respectively from 30th October.
- Residential rates of CGT maintained.
- BADR maintained at £1m lifetime limited – rate increased 14% from 2025 and 18% from 2026.
- Proposals included in the July 2023 consultation on Employee Ownership Trusts are to take effect from 30th October.



IHT

- IHT thresholds frozen to 2030.
- Inherited pensions subject to IHT from 2027.
- April 2026 £1m no IHT on BPR and APR, 20% IHT rate on everything above.
- 20% IHT on AIM shares.
- Domicile regime withdrawn and UK residents for 10 out of 20 years will be exposed to IHT on worldwide assets.

NON-DOMICILE REGIME

- Domicile regime gone from April 2025.
- New entrants to the UK will have four years during which foreign income and gains will not be subject to UK tax.
- Former remittance basis users who don't qualify for the four year exemption will be subject to tax in the UK on all foreign income and gains.
- Repatriation of previously unremitted income and gains will be allowed for three years.





STAMP DUTY LAND TAX

- Surcharge on additional dwellings raised from 3% to 5% from 31st October.
- Rate applied on acquisition of dwellings by corporate entities increased by 2% to 17%.



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