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Key points from the Autumn Statement 2023

1

National Insurance

The main 12% rate of employee national insurance contributions has been cut by two percentage points to 10%. For the self-employed, Class 2 National Insurance (NI) will be abolished.

2

National Living Wage

Increased to £11.44 per hour for workers aged 21 and over. National Minimum wage rates for younger workers will also increase to £8.60 per hour.

3

Business Rates Relief

The existing 75% business rates relief for retail, hospitality and leisure has been extended to 2025. The small business multiplier for business rates is frozen.

4

R&D Tax Reliefs

A unified R&D Scheme will be created and come into force from 1st April 2024 onwards. The rate at which loss-making companies are taxed within the merged scheme will be reduced from 25% to 19%.

5

Investment Zones

Financial incentives extended for Investment Zones and tax reliefs for Freeports from five to 10 years. Three further investment zones announced, and a second investment zone in Wales.

6

Full Capital Expensing

Full capital expensing is made permanent, allowing companies to offset investment in items such as new IT equipment and factory machinery against tax, allowing them to claim back 25p in corporation tax for every £1 invested.

7

Investment into AI

£500m of funding for UK artificial intelligence over the next two years to fund more "innovation centres".

8

Funding for Manufacturing

£4.5bn funding for manufacturing up until 2030, to attract investment into strategic manufacturing, automotive, renewables, and life sciences sectors.

9

Construction & Infrastructure

Reforms to speed up the process of applications and address the planning application backlog. Under the reform, local authorities will be able to recover the full costs of major business planning applications.

10

Housing Allowance

Local housing allowance rate will increase to the 30th percentile of local markets rents, giving 1.6m households an average of £800 of support next year.