



# key points from the Autumn Statement 2022

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## Income Tax

A freeze will be maintained for income tax personal allowance, higher rate threshold, and main national insurance thresholds. The threshold for the top rate of income tax has been cut from £150,000 to £125,140.

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## Employers NIC

The threshold will be frozen until April 2028, and the Employment Allowance will be retained at its new, higher level of £5,000 until March 2026.

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## Electric vehicles

From April 2025 Electric Vehicles will no longer be exempt from Vehicle Excise Duty.

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## National Insurance and VAT

Thresholds frozen at current levels (NIC until April 2028 and VAT until 2026). Important tariffs will be removed on over 100 types of goods used by UK businesses.

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## The Energy Profits Levy

This additional charge on the profits of UK oil and gas businesses has been raised from 25% to 35%. Energy Profits Levy rate of 45% will be imposed on electricity generators to raise £14bn next year.

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## Corporation tax

The rate of corporation tax will rise from 19% to 25% in April 2023 as expected.

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## Dividend Allowance

Reduced from £2,000 to £1,000 from April 2023 and then down to £500 from April 2024.

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## Capital Gains tax

The tax free allowance for capital gains will reduce in 2023/24 from £12,300 to £6,000 and in 2024/25 will be reduced further to £3,000.

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## Inheritance tax

The freeze on the inheritance tax nil rate band threshold of £325,000 per taxpayer has been extended to April 2028.

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## Research and Development (R&D)

From April 2023 R&D relief will be reduced for SMEs, with additional relief for R&D expenditure down from 130% to 86% and the associated tax credit down from 14.5% to 10%. Claims under the large company RDEC scheme will, however, benefit from relief at 20% up from 13%, with a consultation to merge the two schemes.