

# TA.2

## RATES OF INCOME TAX: 1990-91 TO 2013-14

	1990-91		1991-92		1992-93	
	Bands of taxable income(1) £	Rate of tax %	Bands of taxable income(1) £	Rate of tax %	Bands of taxable income(1) £	Rate of tax %
<b>Lower rate</b>					1-2,000	20
<b>Basic rate</b>	1-20,700	25	1-23,700	25	2,001-23,700	25
<b>Higher rate</b>	Over 20,700	40	Over 23,700	40	Over 23,700	40
	1993-94		1994-95		1995-96	
	Bands of taxable income(1) £	Rate of tax %	Bands of taxable income(1) £	Rate of tax %	Bands of taxable income(1) £	Rate of tax %
<b>Lower rate</b>	1-2,500	20	1-3,000	20	1-3,200	20
<b>Basic rate</b>	2,501-23,700	25 (3)	3,001-23,700	25 (3)	3,201-24,300	25 (3)
<b>Higher rate</b>	Over 23,700	40	Over 23,700	40	Over 24,300	40
	1996-97		1997-98		1998-99	
	Bands of taxable income(1) £	Rate of tax %	Bands of taxable income(1) £	Rate of tax %	Bands of taxable income(1) £	Rate of tax %
<b>Lower rate</b>	1-3,900	20	1-4,100	20	1-4,300	20
<b>Basic rate</b>	3,901-25,500	24 (4)	4,101-26,100	23 (4)	4,301-27,100	23 (4)
<b>Higher rate</b>	Over 25,500	40	Over 26,100	40	Over 27,100	40
	1999-2000		2000-01		2001-02	
	Bands of taxable income(1) £	Rate of tax %	Bands of taxable income(1) £	Rate of tax %	Bands of taxable income(1) £	Rate of tax %
<b>Starting rate</b>	1-1,500	10	1-1,520	10	1-1,880	10
<b>Basic rate</b>	1,501-28,000	23 (5)	1,521-28,400	22 (5)	1,881-29,400	22 (5)
<b>Higher rate</b>	Over 28,000	40 (6)	Over 28,400	40 (6)	Over 29,400	40 (6)
	2002-03		2003-04		2004-05	
	Bands of taxable income(1) £	Rate of tax %	Bands of taxable income(1) £	Rate of tax %	Bands of taxable income(1) £	Rate of tax %
<b>Starting rate</b>	1-1,920	10	1-1,960	10	1-2,020.	10
<b>Basic rate</b>	1,921-29,900	22 (5)	1,961-30,500	22 (5)	2,021-31,400	22 (5)
<b>Higher rate</b>	Over 29,900	40 (6)	Over 30,500	40 (6)	Over 31,400	40 (6)

	2005-06		2006-07		2007-08	
	Bands of taxable income(1) £	Rate of tax %	Bands of taxable income(1) £	Rate of tax %	Bands of taxable income(1) £	Rate of tax %
<b>Starting rate</b>	1-2,090	10	1-2,150	10	1-2,230	10
<b>Basic rate</b>	2,091-32,400	22 (5)	2,151-33,300	22 (5)	2,231-34,600	22 (5)
<b>Higher rate</b>	Over 32,400	40 (6)	Over 33,300	40 (6)	Over 34,600	40 (6)
	2008-09		2009-10		2010-11	
	Bands of taxable income(1) £	Rate of tax %	Bands of taxable income(1) £	Rate of tax %	Bands of taxable income(1) £	Rate of tax %
<b>Basic rate (7)</b>	1-34,800	20 (8)	1-37,400	20 (8)	1-37,400	20 (8)
<b>Higher rate</b>	Over 34,800	40 (6)	Over 37,400	40 (6)	Over 37,400	40 (6)
<b>Additional Rate</b>	Not Applicable		Not Applicable		Over 150,000	50 (9)
	2011-12		2012-13		2013-14	
	Bands of taxable income(1) £	Rate of tax %	Bands of taxable income(1) £	Rate of tax %	Bands of taxable income(1) £	Rate of tax %
<b>Basic rate (7)</b>	1-35,000	20 (8)	1-34,370	20 (8)	1-32,010	20 (8)
<b>Higher rate</b>	Over 35,000	40 (6)	Over 34,370	40 (6)	Over 32,010	40 (6)
<b>Additional Rate</b>	Over 150,000	50 (9)	Over 150,000	50 (9)	Over 150,000	45 (9)

Table updated March 2013

(1) Taxable income is defined as gross income for income tax purposes less any allowances and reliefs available at the taxpayer's marginal rate.

(2) Applies to the income of discretionary and accumulation trusts. Prior to 1993-94 trusts paid tax at the basic rate, with an additional rate of 10%.

(3) The basic rate of tax on dividend income is 20%.

(4) The basic rate of tax on dividends and savings income is 20%.

(5) The basic rate of tax on dividends is 10% and savings income is 20%.

(6) The higher rate of tax on dividends is 32.5%.

(7) From 2008-09 the starting rate is abolished for all non-savings income (e.g. employment, self-employed trading profits, pensions and property income), which is the first slice of income to be charged to income tax. The starting rate and the starting rate limit for savings is shown in the table below. Where taxable non-savings income does not fully occupy the starting rate limit the remainder of the starting rate limit is available for savings income.

(8) The basic rate of tax on dividends is 10%.

(9) The additional rate of tax on dividends is 42.5% for 2010-11 to 2012-13, and 37.5% thereafter.

#### Starting rate for savings income

Year	Band of taxable income(1) £	Rate of tax %
2008-09	2,320	10
2009-10	2,440	10
2010-11	2,440	10
2011-12	2,560	10
2012-13	2,710	10
2013-14	2,790	10

