

QUICK SYNOPSIS OF 23 SEPTEMBER 2022 'MINI BUDGET'

- **INCOME TAX**

The 45% additional rate on income above £150,000 will be abolished from April 2023. There will be a single higher rate of 40%.

The planned decrease in the basic rate of income tax from 20% to 19% will be brought forward by 12 months, so will also come into force from April 2023.

- **NATIONAL INSURANCE AND DIVIDENDS**

The recent 1.25% rise in National Insurance will be reversed from 6 November 2022, and the Health and Social Care Levy that was to replace it next year will be cancelled. The 1.25% increase in dividend tax rate is to be reversed from 6 April 2023.

- **STAMP DUTY LAND TAX**

Currently there is no SDLT on the first £125,000 paid when buying residential properties as your main residence. This will be increased to £250,000 with immediate effect.

The above limit for first-time buyers is currently £300,000, increasing to £425,000. This applies for first time buyers purchasing properties for no more than £500,000, now increased to £625,000.

- **CORPORATION TAX**

Corporation tax will stay at the current rate of 19% rather than increasing to 25% from April 2023. This represents the lowest rate in the G20, and maintaining 19% will release £19 billion back into the economy.

- **ANNUAL INVESTMENT ALLOWANCE**

This relief on purchases of plant and machinery will remain at its current level of £1m permanently, rather than reducing to £200,000.

- **INVESTMENT ZONES**

Taxes for businesses in around 40 designated sites will be cut for ten years. Tax reliefs on structures and buildings will be accelerated. There will be 100% tax relief on qualifying investments in plant and machinery.

There will be no stamp duty land tax on newly occupied business premises, no business rates and no employer national insurance on the first £50,000 earned by each new employee hired.