



HM Revenue
& Customs

Policy paper

Annex A: rates and allowances

Published 28 October 2026

Contents

Personal tax and benefits

Income Tax allowances

National Insurance contributions

Child Benefit and Guardian's Allowance

Capital, assets and property

Business and financial services

Indirect tax



© Crown copyright 2026

This publication is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. To view this licence, visit nationalarchives.gov.uk/doc/open-government-licence/version/3 or write to the Information Policy Team, The National Archives, Kew, London TW9 4DU, or email: psi@nationalarchives.gov.uk.

Where we have identified any third party copyright information you will need to obtain permission from the copyright holders concerned.

Personal tax and benefits

Income Tax bands of taxable income

Main rates	Tax year 2026 to 2027	Tax year 2027 to 2028
Basic rate	£1 to £37,700	£1 to £37,700
Higher rate	£37,701 to £125,140	£37,701 to £125,140
Additional rate	Over £125,140	Over £125,140

Income Tax rates

Main rates	Tax year 2026 to 2027	Tax year 2027 to 2028
Basic rate	20%	20%
Higher rate	40%	40%
Additional rate	45%	45%

These figures apply to non-savings non-dividend non-property, including income from employment or pensions. From 2017 to 2018, the main rates were separated into the main rates, the savings rates and the default rates. From April 2027, the property rates of income tax are separated from the main rates.

Savings rates

Savings rates	Tax year 2026 to 2027	Tax year 2027 to 2028
Starting rate for savings	0%	0%
Savings basic rate	20%	24%
Savings higher rate	40%	44%
Savings additional rate	45%	49%

These figures apply to savings income.

Property rates

Property rates	Tax year 2026 to 2027	Tax year 2027 to 2028
Property basic rate	Not applicable	24%
Property higher rate	Not applicable	44%
Property additional rate	Not applicable	49%

For tax year 2026 to 2027, property income is charged at the main rates of income tax.

Dividend Rates

Dividend rates	Tax year 2026 to 2027	Tax year 2027 to 2028
Dividend ordinary rate	10.75%	10.75%
Dividend upper rate	35.75%	35.75%

Dividend rates	Tax year 2026 to 2027	Tax year 2027 to 2028
Dividend additional rate	39.35%	39.35%

These figures apply to dividend income received above the £500 tax-free dividend allowance.

Default Rates

Default rates	Tax year 2026 to 2027	Tax year 2027 to 2028
Default basic rate	20%	20%
Default higher rate	40%	40%
Default additional rate	45%	45%

These figures apply to non-savings and non-dividend income of any taxpayer that is not subject to either the main rates or the Scottish rates of Income Tax.

Starting rates for savings income

	Tax year 2026 to 2027	Tax year 2027 to 2028
Starting rate for savings	0%	0%
Starting rate limit for savings	£5,000	£5,000

Income Tax rates for trustees' income

	Tax year 2026 to 2027	Tax year 2027 to 2028
Thresholds	£500 de minimis trusts amount	£500 de minimis trusts amount
Dividend ordinary rate	10.75%	10.75%
Property basic rate	Not applicable*	24%
Savings basic rate	Not applicable*	24%
Default basic rate	20%	20%
Dividend trust rate for accumulated and discretionary dividend income	39.35%	39.35%
Property trust rate for accumulated and discretionary property income	Not applicable*	49%
Savings trust rate for accumulated and discretionary savings income	Not applicable*	49%
Trust rate for other accumulated and discretionary income	45%	45%

*For tax year 2026 to 2027, property and savings income is charged at the default basic rate, or at the trust rate if it is accumulated or discretionary income.

Income Tax allowances

Personal Allowance

	Tax year 2026 to 2027	Tax year 2027 to 2028
Personal allowance	£12,570	£12,570

	Tax year 2026 to 2027	Tax year 2027 to 2028
Income limit for Personal Allowance	£100,000	£100,000
Income limit for Married Couple's Allowance	£39,200	£40,600

The Personal Allowance reduces where the income is above £100,000 — by £1 for every £2 of income above the £100,000 limit. This reduction applies irrespective of date of birth.

The income limit for Married Couple's Allowance is £39,200. The allowance is reduced by £1 for every £2 of income over this limit.

Pensions Tax Allowance (PTA)

	2027 – 2028
Eligibility threshold below which full PTA applies	£13,037
Threshold at which full PTA is removed	£13,319

The Pensions Tax Allowance will be withdrawn at a rate of £1 for every £3 of income above the eligibility threshold of £13,037.

Marriage Allowance

	Tax year 2026 to 2027	Tax year 2027 to 2028
Marriage Allowance	£1,260	£1,260

This transferable allowance is available to married couples and civil partners who are not in receipt of Married Couple's Allowance. A spouse or civil partner who is not liable to Income Tax, or not liable at the higher or additional rates, can transfer this amount of their unused personal

allowance to their spouse or civil partner. The recipient must not be liable to Income Tax at the higher or additional rates.

Married Couple's Allowance for those born before 6 April 1935

	Tax year 2026 to 2027	Tax year 2027 to 2028
Maximum amount of Married Couple's Allowance	£11,700	£12,110
Minimum amount of Married Couple's Allowance	£4,530	£4,690

The relief for this allowance is given at 10%.

Blind Person's Allowance

Tax year 2026 to 2027	Tax year 2027 to 2028
£3,250	£3,370

Dividend Allowance

Tax year 2026 to 2027	Tax year 2027 to 2028
£500	£500

Personal Savings Allowance

	Tax year 2026 to 2027	Tax year 2027 to 2028
Personal Savings Allowance for basic rate taxpayers	£1,000	£1,000
Personal Savings Allowance for higher taxpayers	£500	£500

From April 2016, the new Personal Savings Allowance means that basic rate taxpayers do not have to pay tax on the first £1,000 of savings income they receive and higher rate taxpayers do not have tax to pay on their first £500 of savings income.

Qualifying Care Relief

	Tax year 2026 to 2027	Tax year 2027 to 2028
Annual fixed amount	£20,440	£21,160
Weekly amount — children under 11 years	£435	£455
Weekly amount — children 11 years or older	£515	£535
Weekly amount — adults	£515	£535

The amount of Income Tax relief available for foster carers and shared lives carers using Qualifying Care Relief will increase in line with CPI inflation. The changes will take effect from 6 April 2027, for the tax year 2027 to 2028.

Company car tax — all cars



CO2 emissions, g/km	Electric range (miles)	Appropriate percentage (%) for 2026 to 2027	Appropriate percentage (%) for 2027 to 2028	Appropriate percentage (%) for 2028 to 2029	Appropriate percentage (%) for 2029 to 2030
0	Not applicable	4	5	7	9
1 to 50	More than 130	4	5	18	19
1 to 50	70 to 129	7	8	18	19
1 to 50	40 to 69	11	12	18	19
1 to 50	30 to 39	13	14	18	19
1 to 50	Less than 30	15	16	18	19
51 to 54	—	16	17	18	19
55 to 59	—	17	18	19	20
60 to 64	—	18	19	20	21
65 to 69	—	19	20	21	22
70 to 74	—	20	20	21	22
75 to 79	—	20	20	21	22
80 to 84	—	21	21	22	23
85 to 89	—	22	22	23	24
90 to 94	—	23	23	24	25
95 to 99	—	24	24	25	26
100 to 104	—	25	25	26	27
105 to 109	—	26	26	27	28
110 to 114	—	27	27	28	29
115 to 119	—	28	28	29	30

CO2 emissions, g/km	Electric range (miles)	Appropriate percentage (%) for 2026 to 2027	Appropriate percentage (%) for 2027 to 2028	Appropriate percentage (%) for 2028 to 2029	Appropriate percentage (%) for 2029 to 2030
120 to 124	—	29	29	30	31
125 to 129	—	30	30	31	32
130 to 134	—	31	31	32	33
135 to 139	—	32	32	33	34
140 to 144	—	33	33	34	35
145 to 149	—	34	34	35	36
150 to 154	—	35	35	36	37
155 to 159	—	36	36	37	38
160 and over	—	37	37	38	39

For all cars, drivers must add 4% to their appropriate percentage if the car is propelled solely by diesel. This is capped at 37% until tax year 2027 to 2028, 38% in tax year 2028 to 2029 and 39% in tax year 2029 to 2030 and 40% in tax year 2030 to 2031.

Cars that meet the Real Driving Emissions Step 2 (RDE2) standard are exempt from the diesel supplement. The RDE2 standard sets a maximum permitted level of car NOx emissions in real world driving situations, and it is measured through portable emissions-measuring equipment in a variety of real driving trips.

Plug-in Hybrid Electric Vehicles (PHEVs) first registered and made available from 1 January 2025 to 5 April 2028, under any emission standard other than Euro 6d-ISC-FCM or Euro 6e, have a deemed CO2 emission of 1 g/km.

National Insurance contributions

Employee and employer Class 1 rates and thresholds (£ per week)

	Tax year 2026 to 2027	Tax year 2027 to 2028
Lower Earnings Limit (LEL)	£129	£133
Primary Threshold (PT)	£242	£242
Secondary Threshold (ST)	£96	£96
Upper Earnings Limit (UEL)	£967	£967
Upper Secondary Threshold for under 21s	£967	£967
Apprentice Upper Secondary Threshold (AUST) for under 25s	£967	£967
Freeport Upper Secondary Threshold	£481	£481
Investment Zones Upper Secondary Threshold	£481	£481
Veteran Upper Secondary Threshold	£967	£967
Employment Allowance (per eligible employer)	£10,500 per year	£10,500 per year

Employee's (primary) Class 1 contribution rates (per cent)

Earnings band	Tax year 2026 to 2027	Tax year 2027 to 2028
Below Lower Earnings Limit (LEL)	Not applicable	Not applicable

Earnings band	Tax year 2026 to 2027	Tax year 2027 to 2028
Lower Earning Limit (LEL) to Primary Threshold (PT)	0%	0%
Primary Threshold (PT) to Upper Earnings Limit (UEL)	8%	8%
Above Upper Earnings Limit (UEL)	2%	2%

Married woman's reduced rate for (primary) Class 1 contribution rates

	Tax year 2026 to 2027	Tax year 2027 to 2028
Weekly earnings from between the Primary Threshold (PT) and Upper Earnings Limit (UEL)	1.85%	1.85%
Weekly earnings above the Upper Earnings Limit (UEL)	2%	2%

Employer's (secondary) Class 1 contribution rates

Earnings band	Tax year 2026 to 2027	Tax year 2027 to 2028
Below Secondary Threshold (ST)	0%	0%
Above Secondary Threshold (ST)	15%	15%

Employer's (secondary) Class 1 contribution rates for employees under 21

Earnings band	Tax year 2026 to 2027	Tax year 2027 to 2028
Below Upper Secondary Threshold (UST)	0%	0%
Above Upper Secondary Threshold (UST)	15%	15%

Employer's (secondary) Class 1 contribution rates for Apprentices under 25

Earnings band	Tax year 2026 to 2027	Tax year 2027 to 2028
Below Apprentice Upper Secondary Threshold (AUST)	0%	0%
Above Apprentice Upper Secondary Threshold (AUST)	15%	15%

Employer's (secondary) Class 1 contribution rates for eligible employers in Freeports

Earnings band	Tax year 2026 to 2027	Tax year 2027 to 2028
Below Freeports Upper Secondary Threshold	0%	0%
Above Freeports Upper Secondary Threshold	15%	15%

Employer's (secondary) Class 1 contribution rates for eligible employers in Investment Zones

Earnings band	Tax year 2026 to 2027	Tax year 2027 to 2028
Below Investment Zone Upper Secondary Threshold	0%	0%
Above Investment Zone Upper Secondary Threshold	15%	15%

Employer's (secondary) Class 1 contribution rates for qualifying veterans

Earnings band	Tax year 2026 to 2027	Tax year 2027 to 2028
Below Veterans Upper Secondary Threshold (VUST)	0%	0%
Above Veterans Upper Secondary Threshold (VUST)	15%	15%

Self-employed Class 2 contributions rates and thresholds (£ per week)

Class 2 thresholds (£ annual profit)

	Tax year 2026 to 2027	Tax year 2027 to 2028
Small Profits Thresholds (SPT)	£7,105	£7,355

Class 2 contribution rates (£ per week)

Annual Profits Band	Tax year 2026 to 2027	Tax year 2027 to 2028
Below Small Profits Threshold (SPT)	£3.65 (voluntary)	£3.80 (voluntary)
Above Small Profits Threshold (SPT)	£0	£0
Special Class 2 rate for share fisherman	£4.30	£4.45
Special Class 2 rate for volunteer development workers	£6.45	£6.65

Class 3 National Insurance contributions rates (£ per week)

	Tax year 2026 to 2027	Tax year 2027 to 2028
Voluntary contributions	£18.40	£19.05

Self-employed Class 4 rates and thresholds (£ per year)

	Tax year 2026 to 2027	Tax year 2027 to 2028
Lower Profits Limit (LPL)	£12,570	£12,570
Upper Profits Limit (UPL)	£50,270	£50,270

Class 4 contribution rates

Annual Profits band	Tax year 2026 to 2027	Tax year 2027 to 2028
Below Lower Profits Limit (LPL)	0%	0%
Lower profits Limit (LPL) to Upper Profits Limit (UPL)	6%	6%
Above Upper Profits Limit (UPL)	2%	2%

Child Benefit and Guardian's Allowance

Following the publication of Consumer Price Index (CPI) figures for September 2025, the government announced at Budget 2025 the new benefits rates for 2026 to 2027.

Child Benefit (£ per week)

	Tax year 2026 to 2027	Tax year 2027 to 2028
Eldest or only child	£27.05	£28.00
Other children	£17.90	£18.55

Guardian's Allowance (£ per week)

	Tax year 2026 to 2027	Tax year 2027 to 2028
Guardian's Allowance	£22.95	£23.75

Capital, assets and property

Pensions tax relief

	Tax year 2026 to 2027	Tax year 2027 to 2028
Lump Sum Allowance	£268,275	£268,275
Lump Sum and Death Benefit Allowance	£1,073,100	£1,073,100
Overseas Transfer Allowance	£1,073,100	£1,073,100
Annual Allowance Limit	£60,000	£60,000
Money Purchase Annual Allowance	£10,000	£10,000
Tapered Annual Allowance (applies when an individual has ‘adjusted income’ over this amount provided the ‘threshold income’ test is met)	£260,000	£260,000

Tax free savings accounts

	Tax year 2026 to 2027	Tax year 2027 to 2028
Individual Savings Account (ISA) subscription limit	£20,000	£20,000
Junior ISA subscription limit	£9,000	£9,000
Child Trust Fund (CTF) subscription limit	£9,000	£9,000

Rates for gains on assets

	Tax year 2026 to 2027	Tax year 2027 to 2028
Income Tax basic rate payer	18%	18%
Income Tax higher rate payer	24%	24%
Trustees and personal representatives	24%	24%

Annual exempt amount (AEA)

	Tax year 2026 to 2027	Tax year 2027 to 2028
Income Tax basic rate payer	£3,000	£3,000
Income Tax higher rate payer	£3,000	£3,000
Personal representatives	£3,000	£3,000
Most trustees	£1,500	£1,500

Rate on gains subject to business asset disposal relief

	Tax year 2026 to 2027	Tax year 2027 to 2028
Income Tax basic rate payer	18%	18%
Income Tax higher rate payer	18%	18%

Rate on gains subject to founders' relief

	Tax year 2026 to 2027	Tax year 2027 to 2028
Income Tax basic rate payer	Not applicable	10%
Income Tax higher rate payer	Not applicable	10%

Founders' relief applies from 6 April 2027.

Rate on gains subject to investors' relief

	Tax year 2026 to 2027	Tax year 2027 to 2028
Income Tax basic rate payer	18%	18%
Income Tax higher rate payer	18%	18%

Business asset disposal relief: lifetime limit on qualifying gains

	Tax year 2026 to 2027	Tax year 2027 to 2028
Income Tax basic rate payer	£1 million	£500,000
Income Tax higher rate payer	£1 million	£500,000

Founders' relief: lifetime limit on gains for external investors

	Tax year 2026 to 2027	Tax year 2027 to 2028
Income Tax basic rate payer	Not applicable	£10 million
Income Tax higher rate payer	Not applicable	£10 million

Founders' relief applies from 6 April 2027. Any Business Asset Disposal Relief or Investors Relief from 6 April 2027 reduces the amount of Founders' relief lifetime limit available.

Investors' relief: lifetime limit on gains for external investors

	Tax year 2026 to 2027	Tax year 2027 to 2028
Income Tax basic rate payer	£1 million	£1 million
Income Tax higher rate payer	£1 million	£1 million

Temporary Repatriation Facility

	Tax year 2026 to 2027	Tax year 2027 to 2028
Rate of designated foreign income and gains (FIG)	12%	15%

The Temporary Repatriation Facility (TRF) is available to former remittance basis users who have unremitted foreign income and gains for tax years prior to 2025 to 2026. Individuals can elect to pay tax at the TRF rate on offshore funds that they designate. The designated funds will then not be taxed on remittance to the UK. Former remittance basis users can also use the TRF to designate distributions from trust structures, which are matched to foreign income and gains which arose prior to April 2025.

Inheritance Tax

	Tax year 2026 to 2027	Tax year 2027 to 2028
Rate (for estates)	40%	40%
Reduced rate (for estates leaving 10% or more to charity)	36%	36%
Rate (for chargeable lifetime transfers)	20%	20%
Nil-rate band limit	£325,000	£325,000
Residence nil-rate band limit	£175,000	£175,000
Residence nil-rate band threshold for start of tapered withdrawal	£2 million	£2 million
100% of agricultural property relief and business property relief allowance	£2.5 million	£2.5 million

Stamp Duty Land Tax — residential property from 1 April 2025

Property value	Rate (on portion of value above threshold)	Rate (on portion of value above threshold) if purchase is of an additional residential property	Rate (on portion of value above threshold) if purchase is of residential property by certain non-UK residents	Rate (on portion of value above threshold) if purchase is of an additional residential property and by certain non-UK residents
£0 to £125,000	0%	5%	2%	7%
£125,001 to £250,000	2%	7%	4%	9%
£250,001 to £925,000	5%	10%	7%	12%
£925,001 to £1.5 million	10%	15%	12%	17%
Over £1.5 million	12%	17%	14%	19%

Check HMRC guidance on whether the higher rate applies and whether a purchase is a ‘non-resident’ transaction.

Stamp Duty Land Tax on residential leases from 1 April 2025

Portion of Net Present Value (NPV) of the rent	Rate (on portion of value above threshold)
£0 to £125,000	0%
Over £125,000	1%

Rates are increased by 2 percentage points (%) where the non-UK resident SDLT surcharge applies.

From 1 May 2026, no SDLT is payable on the net present value of the rent under an assured tenancy.

Stamp Duty Land Tax — rates for first time-buyers purchasing properties worth £500,000 or less from 1 April 2025

Portion of purchase price	Rate (on portion of value above threshold) if purchase qualifies for first-time buyer relief
£0 to £300,000	0%
£300,001 to £500,000	5%

Rates are increased by 2 percentage points (%) where the non-UK resident SDLT surcharge applies.

Stamp Duty Land Tax — higher rate for certain corporate transactions involving dwellings worth more than £500,000 from 31 October 2024

Portion of purchase price	Rate on whole of purchase price
Over £500,000	17%

Rates are increased by 2 percentage points (%) where the non-UK resident SDLT surcharge applies.

Stamp Duty Land Tax for non-residential property on or after 17 March 2016

Portion of purchase price	Rate (on portion of value above threshold)
£0 to £150,000	0%
£150,001 to £250,000	2%
£250,001 and over	5%

Stamp Duty Land Tax — non-residential and mixed property leases on or after 17 March 2016

Portion of Net Present Value (NPV) of the lease	Rate (on portion of value above threshold)
£0 to £150,000	0%
£150,001 to £5 million	1%
Over £5 million	2%

Annual Tax on Enveloped Dwellings (ATED)

The ATED charges increase automatically each year in line with inflation (based on the previous September's Consumer Price Index (CPI)).

The ATED annual charges will rise by 3.5% from 1 April 2027 in line with the September 2026 CPI.

The table shows the charges for the 2026 to 2027 period and what the uplifted charges will be for the 2027 to 2028 period.

Taxable value of the property	Charge for tax year 2026 to 2027	Charge for tax year 2027 to 2028
£500,001 to £1 million	£4,600	£4,750
£1,000,001 to £2 million	£9,450	£9,750

Taxable value of the property	Charge for tax year 2026 to 2027	Charge for tax year 2027 to 2028
£2,000,001 to £5 million	£32,200	£33,300
£5,000,001 to £10 million	£75,450	£78,050
£10,000,001 to £20 million	£151,450	£156,750
Over £20 million	£303,450	£314,050

Stamp Duty and Stamp Duty Reserve Tax

Transfers of, and agreements to transfer securities

	Standard Rate	Higher Rate
Stamp Duty	0.5% (rounded up to next £5)	Not applicable
Stamp Duty Reserve Tax	0.5%	Not applicable

Transfers of securities to clearance services and depositary receipt issuers

	Standard Rate	Higher Rate
Stamp Duty	Not applicable	1.5% (rounded up to next £5)
Stamp Duty Reserve Tax	Not applicable	1.5%

No Stamp Duty is charged where the certified consideration is less than £1,000.

Stamp Duty is charged on the purchase of own shares by a company under section 690 Companies Act 2006. The SH03 form is the chargeable instrument.

Where an instrument transfers either Intellectual Property (IP) or goodwill and shares, Stamp Duty is not chargeable on the consideration that relates to the IP or goodwill. A just and reasonable apportionment must be made.

Where an instrument grants a call option, and is itself a marketable security, Stamp Duty is charged at 0.5% of the consideration given for the premium.

Stamp Duty and Stamp Duty Reserve Tax will be replaced with the Securities Transfer Tax from late 2027. The Standard Rate and Higher Rate will continue to apply under the Securities Transfer Tax.

Some clearance services choose to elect for the standard 0.5% STS regime. No 1.5% charge arises on transfers to such clearance services.

Rates for transfers on sale of interests in partnerships which hold shares and certain other securities

The Stamp Duty charge is capped at 0.5% of the market value of any shares held by the partnership (less any loans secured on them), multiplied by the percentage partnership interest transferred.

There will not be a charge on transfers of interests in partnerships under the Securities Transfer Tax.

Bearer instruments

Transaction	Stamp Duty	Stamp Duty Reserve Tax
Transfer of bearer instrument	1.5% (rounded up to next £5)	0.5%
Transfer of non-UK bearer instrument by usage	0.2% of market value (rounded up to next £5)	Not applicable
Transfer of deposit certificate for stock of single non-UK company	0.2% of market value (rounded up to next £5)	Not applicable

In 2015 the Companies Act 2006 was amended to prohibit the creation of bearer shares by UK companies, and all existing bearer shares had to be cancelled or converted into registered shares.

Therefore, the charge remains only on the transfer on sale of bearer shares issued by or on behalf of non-UK companies, if the transfer occurs in the UK.

It may also apply on the transfer of certain bearer debt securities.

There will not be a charge on transfers of bearer instruments under the Securities Transfer Tax.

Stamp Duty on legacy land transactions

Where an agreement for a land transaction was entered into on or before 10 July 2003, but the instrument legally completing that contract is executed after that date, then the transaction will be subject to Stamp Duty, not Stamp Duty Land Tax. However, if the contract was not substantially performed before 10 July 2003 and has been varied, or rights under it have been assigned or sub-sold after 10 July 2003, Stamp Duty Land Tax may apply on completion.

If an instrument was executed to complete a land transaction at the time of the original transfer (but is only now being presented to HMRC), then the rate in force at that time will apply.

For rates before 28 March 2000, see the Stamp Taxes Manual, Appendix C, pages 324 to 334 on the National Archives website (<https://webarchive.nationalarchives.gov.uk/ukgwa/20140109143644/http://www.hmrc.gov.uk/so/manual.pdf>).

Freehold conveyances and transfers for instruments legally completing contracts made on or after 3 July 1997

The Stamp Duty charged is rounded to the next £5. For instruments legally completing contracts made on or before 2 July 1997, the rate is 1%.

Certified transfer value	Instruments executed between 28 March 2000 and 16 March 2005	Instruments executed between 17 March 2005 and 22 March 2006	Instruments executed after 22 March 2006
£60,000 and under	nil	nil	nil
£120,000 and under	1%	nil	nil
£125,000 and under	1%	1%	nil

Certified transfer value	Instruments executed between 28 March 2000 and 16 March 2005	Instruments executed between 17 March 2005 and 22 March 2006	Instruments executed after 22 March 2006
£250,000 and under	1%	1%	1%
£500,000 and under	3%	3%	3%
Over £500,000 or uncertified	4%	4%	4%

Leasehold property — average rent of lease

The rates in the following table are based on the average rent of the lease.

The Stamp Duty charged is rounded to the next £5.

Term of lease	Rate
7 years or less — annual rent £5,000 or less	nil
7 years or less — annual rent more than £5,000	1%
7 to 35 years	2%
35 to 100 years	12%
Over 100 years	24%

Leasehold property — lease premium

The rates in the following table are based on the certified value in the transfer document.

The Stamp Duty charged is rounded to the next £5.

Certified value Rate	Rate
£60,000, annual rent £600 or less	nil
£250,000	1%
£500,000	3%
More than £500,000	4%

Business and financial services

Corporation Tax rates

	Financial year 2026 to 2027	Financial year 2027 to 2028	Financial year 2028 to 2029
Main rate	25%	25%	25%
Small profits rate	19%	19%	19%
Lower threshold	£50,000	£50,000	£50,000
Upper threshold	£250,000	£250,000	£250,000
Marginal relief standard fraction	3/200	3/200	3/200
North Sea oil and gas ring fence profits	30%	30%	30%

Marginal relief is available for companies with profits between £50,000 and £250,000. Find out to how to [calculate marginal relief](https://www.gov.uk/guidance/corporation-tax-marginal-relief) (<https://www.gov.uk/guidance/corporation-tax-marginal-relief>).

For North Sea oil and gas ring fence profits the main rate is 30% and the small profits rate is 19%. The marginal relief ring fence fraction is 11/400ths. The lower and upper limits for ring fence profits are £50,000 and £250,000 respectively.

For accounting periods beginning on or after 1 January 2026 the Unassessed Transfer Pricing Profits rules come into effect. Profits assessed under these rules will be charged at the underlying Corporation Tax rate plus 6%.

Corporation Tax allowance and reliefs

	Financial year 2026 to 2027	Financial year 2027 to 2028
Plant and machinery: main rate expenditure	14%	12%
Plant and machinery: special rate expenditure	6%	6%
Structures and Building Allowance (SBA)	3%	3%
Annual Investment Allowance (AIA)	£1 million	£1 million
Enhanced Capital Allowances in Freeports	100%	100%
Enhanced Capital Allowances in Investment Zones	100%	100%
Enhanced Structures and Buildings Allowance in Freeports	10%	10%
Enhanced Structures and Buildings Allowance in Investment Zones	10%	10%
Full Expensing: 100% First Year Allowance	100%	100%
50% Special Rate First-Year Allowance	50%	50%
Main Rate First-Year Allowance	40%	40%
ERIS (Enhanced R&D Intensive Support) additional deduction	86%	86%

	Financial year 2026 to 2027	Financial year 2027 to 2028
ERIS (Enhanced R&D Intensive Support) payable credit rate	14.5%	14.5%
ERIS (Enhanced R&D Intensive Support) intensity ratio threshold	30%	30%
R&D Expenditure Credit rate	20%	20%
Patent Box	10%	10%
Film tax relief	25%	N/A ceased
High-end TV tax relief	25%	N/A ceased
Animation tax relief	25%	N/A ceased
Children's TV tax relief	25%	N/A ceased
Videogames tax relief	25%	N/A ceased
Audio-Visual Expenditure Credit (AVEC) – film and high-end TV	34%	34%
Audio-Visual Expenditure Credit (AVEC) – animation (film and TV) and children's TV	39%	39%
Audio-Visual Expenditure Credit (AVEC) – independent film	53%	53%
Audio-Visual Expenditure Credit (AVEC) – qualifying visual effects (VFX) expenditure	39%	39%
Video Games Expenditure Credit (VGEC)	34%	34%
Theatre Tax Relief – non touring	40%	40%
Theatre Tax Relief – touring	45%	45%
Orchestra Tax Relief	45%	45%
Museum and Galleries Exhibition Tax Relief – non touring	40%	40%

	Financial year 2026 to 2027	Financial year 2027 to 2028
Museum and Galleries Exhibition Tax Relief – touring	45%	45%

The 40% Main Rate First-Year Allowance is available for qualifying expenditure incurred on or after 1 January 2026. It was increased to 50% for qualifying expenditure incurred on or after 1 January 2027.

Film Tax Relief, High-End TV Tax Relief, Animation Tax Relief, Children's TV Tax Relief and Video Games Tax Relief cease from 1 April 2027, completing the transition to the Audio-Visual Expenditure Credit.

For open ended investment companies and authorised unit trusts the applicable corporation tax rate is 20%.

Pillar 2 Global Minimum Tax

	For accounting periods beginning on or after 31 December 2023
Global revenue threshold	€750 million
Multinational Top-up Tax — Minimum Effective Tax Rate	15%
Domestic Top-up Tax — Minimum Effective Tax Rate	15%

Residential property developer tax

Rate from 1 April 2022 onwards	UK annual allowance
4%	£25 million

Bank Levy

	Chargeable equity and long-term chargeable liabilities	Short-term chargeable liabilities
1 January 2021 onwards	0.05%	0.1%

Bank surcharge

	Rate on profits	Group allowance
1 April 2023 to 31 December 2026	3%	£100 million
1 January 2027 to 31 March 2028	6%	£100 million
1 April 2028 onwards	3%	£100 million

Diverted Profits Tax

	Financial year 2026 to 2027	Financial year 2027 to 2028
Headline rate	31%	31%
Adjusted ring fence profits or notional adjusted ring fence profits	55%	55%
Banking surcharge profits or notional banking surcharge	33%	33%

Diverted Profits Tax is repealed for accounting periods beginning on or after 1 January 2026.

Unassessed Transfer Pricing Profits Rules

	Financial year 2026 to 2027	Financial year 2027 to 2028
Headline rate	CT + 6%	CT + 6%

In line with S217A(3) Part 4A TIOPA 2010, the rate is the underlying corporation tax rate plus 6%, which would be 31% in most cases at the time of publication.

Digital Services Tax

1 April 2020 onwards	Global revenue threshold	UK revenue threshold	UK revenue allowance
2%	£500 million	£25 million	£25 million

Economic Crime (Anti-Money Laundering) Levy

Entity or payee size	UK revenue threshold	Financial Year 2026 to 2027	Financial Year 2027 to 2028
Small	£10.2 million or less	Not applicable (exempt)	Not applicable (exempt)
Band A	More than £10.2 million, not more than £36 million	£10,200	£10,200
Band B	More than £36 million, not more than £500 million	£36,000	£36,000

Entity or payee size	UK revenue threshold	Financial Year 2026 to 2027	Financial Year 2027 to 2028
Band C	More than £500 million not more than £1 billion	£500,000	£500,000
Band D	More than £1 billion	£1 million	£1 million

UK oil and gas taxes

	Financial year 2026 - 2027	Financial year 2027 to 2028
Petroleum revenue tax	0%	0%
Ring fence corporation tax	30%	30%
Supplementary charge	10%	10%

For North Sea oil and gas ring fence profits the main rate is 30% and the small profits rate is 19%. The marginal relief ring fence fraction is 11/400ths.

Energy Profits Levy

Date	Rate
26 May 2022 to 31 December 2022	25%
1 January 2023 to 31 October 2024	35%
1 November 2024 to 31 March 2030	38%

Energy Profits Levy — Energy Security Investment Mechanism

	Financial year 2026-2027	Financial year 2027-2028
Oil threshold price	\$78.65 per barrel	Threshold to be confirmed in January 2027
Gas threshold price	£0.61 per therm	Threshold to be confirmed in January 2027

Electricity Generator Levy

	Financial year	2025 to 2026	1 Apr 2026 to 30 Jun 2026	1 Jul 2026 to 31 Mar 2027	Financial year 2027 to 2028
Rate	45%	45%	55%	55%	
Benchmark price	£79.95 per megawatt hour	£82.61 per megawatt hour	£82.61 per megawatt hour	To be uprated by CPI as at Dec 2026	
Allowance	£10 million	£10 million	£10 million	£10 million	

Business rates

	Financial year 2026 to 2027	Financial year 2027 to 2028
England standard multiplier	48 pence	49.7 pence
England small business multiplier	43.2 pence	44.7 pence

	Financial year 2026 to 2027	Financial year 2027 to 2028
England standard retail, hospitality and leisure (RHL) multiplier	43 pence	44.7 pence
England small business RHL multiplier	38.2 pence	39.7 pence
England high-value multiplier	50.8 pence	52.5 pence

Small business multiplier applies to non-RHL properties with a rateable value of less than £51,000.

Standard multiplier applies to non-RHL properties with a rateable value of £51,000 - £499,999.

Small business RHL multiplier applies to eligible RHL properties with a rateable value of less than £51,000.

Standard RHL multiplier applies to eligible RHL properties with a rateable value of £51,000 - £499,999.

Details on which properties are eligible for the RHL multipliers (<https://www.gov.uk/guidance/business-rates-multipliers-qualifying-retail-hospitality-or-leisure>) are available.

High-value multiplier applies to properties with a rateable value of £500,000 and above.

Indirect tax

Alcohol Duty

Product	Previous rates from 1 February 2026 (per litre of pure alcohol in the product)	Duty rate from 1 February 2027 until 1 February 2028 (per litre of alcohol in the product)
All alcoholic products: less than 3.5% alcohol by volume (ABV)	£9.96	£10.41
Still cider and perry: at least 3.5% — less than 8.5% ABV	£10.39	£10.86
Sparkling cider and perry: at least 3.5% — not exceeding 5.5% ABV	£10.39	£10.86
Beer: at least 3.5% — less than 8.5% ABV	£22.58	£23.61
Spirits, wine, and other fermented products: at least 3.5% — less than 8.5% ABV	£26.61	£27.82
Sparkling cider and perry: exceeding 5.5% ABV — less than 8.5% ABV	£26.61	£27.82
All alcoholic products: at least 8.5% but not exceeding 22% ABV	£30.62	£32.01
All alcoholic products: exceeding 22% ABV	£33.99	£35.54

Reduced rates for qualifying draught products

Product	Previous rates from 1 February 2026 (per litre of pure alcohol in the product)	Duty rate from 1 February 2027 until 1 February 2028 (per litre of alcohol in the product)
All alcoholic products: less than 3.5% ABV	£8.58	£8.97
Still cider and perry: at least 3.5% — less than 8.5% ABV	£8.95	£9.36
Sparkling cider and perry: at least 3.5% — not exceeding 5.5% ABV	£8.95	£9.36
Beer, spirits, wine, and other fermented products: at least 3.5% (but less than 8.5% ABV)	£19.45	£20.34
Sparkling cider and perry: exceeding 5.5% — less than 8.5% ABV	£19.45	£20.34

Tobacco products

Cigarettes

	Duty rate plus ad valorem element	Minimum Excise Tax
From 26 November 2025	An amount equal to 16.5% of the retail price plus £353.50 per 1,000 cigarettes	£471.93 per 1,000 cigarettes
From 1 October 2026	An amount equal to 16.5% of the retail price plus £394.09 per 1,000 cigarettes	£518.75 per 1,000 cigarettes

Hand-rolling tobacco

	Duty rate plus ad valorem element	Minimum Excise Tax
From 26 November 2025	£503.80 per kilogram	Not applicable
From 1 October 2026	£574.30 per kilogram	Not applicable

Other smoking tobacco and chewing tobacco

	Duty rate plus ad valorem element	Minimum Excise Tax
From 26 November 2025	£193.87 per kilogram	Not applicable
From 1 October 2026	£248.07 per kilogram	Not applicable

Tobacco for heating

	Duty rate plus ad valorem element	Minimum Excise Tax
From 26 November 2025	£363.36 per kilogram	Not applicable
From 1 October 2026	£426.47 per kilogram	Not applicable

Vaping Products Duty

	Duty rate
From 1 October 2026	£2.20 per 10ml of Vaping liquid

Gambling duties

	Tax year 2026 to 2027	Tax year 2027 to 2028
Percentage of bingo promotion profits	0%	0%
Percentage of ‘net stake receipts’ for in person fixed odds bets and remote fixed odds bets on UK horse races	15%	15%
Percentage of ‘net stake receipts’ for remote fixed odds bets (not including UK horse races)	15%	25%
Percentage of ‘net stake receipts’ for totalisator bets on horse or dog races	15%	15%
Percentage of ‘net stake receipts’ for financial spread bets	3%	3%
Percentage of ‘net stake receipts’ for all other spread bets	10%	10%
Percentage of net pool betting receipts	15%	15%
Percentage of the price paid or payable on taking a ticket or chance in a lottery	12%	12%
Percentage of remote gaming profits	40%	40%
Percentage of the net takings from dutiable machine games with a maximum cost to play not more than 20 pence and a maximum cash prize not more than £10 (type 1 machines)	5%	5%
Percentage of net takings from dutiable machine games which are not type 1 machines, the cost to play is not more than £1 and the maximum prize is £100 (type 2 machines)	20%	20%
Percentage of net takings from dutiable machine games that are not type 1 or type 2 machines (type 3 machines)	25%	25%

The definition of type 2 machines for tax year 2026-2027 was “Percentage of net takings from dutiable machine games which are not Type 1 machines but where the cost to play cannot exceed £5”.

Gaming Duty

Gross gaming yield: Figures for accounting periods beginning on or after 1 April 2026

Tax rate	Figures for accounting periods beginning on or after 1 April 2026	Figures for accounting periods beginning on or after 1 April 2027
15%	£2,686,000	£2,686,000
20%	£1,852,000	£1,852,000
30%	£3,243,000	£3,243,000
40%	£6,845,000	£6,845,000
50%	Remainder	Remainder

Insurance Premium Tax

	Tax year 2026 to 2027	Tax year 2027 to 2028
Standard rate	12%	12%
Higher rate	20%	20%

Soft Drinks Industry Levy

	To 31 March 2027	From 1 April 2028
Standard rate	£2.08 per 10 litres	£2.25 per 10 litres
Higher rate	£2.78 per 10 litres	£3.01 per 10 litres

Main rates of Climate Change Levy

Taxable commodity	Rate from 1 April 2027	Rate from 1 April 2028
Electricity (£ per kilowatt hour)	0.00827	0.00827
Gas supplied by a gas utility or any gas supplied in a gaseous state that is of a kind supplied by a gas utility (£ per kilowatt hour)	0.00827	0.00853
Any petroleum gas, or other gaseous hydrocarbon, supplied in a liquid state (£ per kilogram)	0.02175	0.02175
Any other taxable commodity (£ per kilogram)	0.06468	0.06669

Reduced rates of Climate Change Levy (percentage of main rates payable by holders of a climate change agreement)

Taxable commodity	Rate from 1 April 2027	Rate from 1 April 2028
Electricity (percentage of main rate)	8%	8%
Gas supplied by a gas utility or any gas supplied in a gaseous state that is of a kind supplied by a gas utility (percentage of main rate)	11%	11%
Any petroleum gas, or other gaseous hydrocarbon, supplied in a liquid state (percentage of main rate)	23%	23%

Taxable commodity	Rate from 1 April 2027	Rate from 1 April 2028
Any other taxable commodity (percentage of main rate)	11%	11%

Aggregates Levy

Taxable commodity	Rate from 1 April 2026	Rate from 1 April 2027
Commercially exploited taxable aggregate	£2.16 per tonne	£2.26

Aggregates Levy is due to be devolved to the Scottish Parliament on 1 April 2026.

Landfill Tax

Material sent to landfill	Rate from 1 April 2026	Rate from 1 April 2027
Coverage	England and Northern Ireland	England and Northern Ireland
Standard rated (per tonne)	£130.75	£136.70
Lower rated (per tonne)	£8.65	£14.60

Landfill Tax was devolved to the Scottish Parliament in April 2015 and to the Welsh Parliament (Senedd Cymru) in April 2018.

Plastic Packaging Tax

Plastic packaging with less than 30% recycled plastic content.

Date	Rate
From 1 April 2026	£228.82 per tonne
From 1 April 2027	£236.56 per tonne

Air Passenger Duty rates for 2026 to 2027

Air Passenger Duty (APD) applies to flights aboard aircraft of 5.7 tonnes and above.

Rates for direct long-haul flights from Northern Ireland are devolved and set at £0. Direct long-haul journeys are those where the first leg of the journey is to a destination outside Band A.

Bands (approximate distance in miles from the UK)	Reduced rate (lowest class of travel) from 1 April 2026	Standard rate (other than the lowest class of travel) from 1 April 2026	Higher rate from 1 April 2026
Domestic (flights within the UK)	£8	£16	£142
Band A (0 to 2,000 miles)	£15	£32	£142
Band B (2,001 to 5,500 miles)	£102	£244	£1,097
Band C (over 5,500 miles)	£106	£253	£1,141

Where a class of travel provides a seat pitch in excess of 1.016 metres (40 inches), the standard rate is the minimum rate that applies.

The higher rate applies to flights on aircraft of 20 tonnes and above, with fewer than 19 seats.

Air Passenger Duty rates for 2027 to 2028

Air Passenger Duty (APD) applies to flights aboard aircraft 5.7 tonnes and above.

Rates for direct long-haul flights from Northern Ireland are devolved and set at £0. Direct long-haul journeys are those where the first leg of the journey is to a destination outside Band A.

Bands (approximate distance in miles from the UK)	Reduced rate (lowest class of travel) from 1 April 2026	Standard rate (other than the lowest class of travel) from 1 April 2026	Higher rate from 1 April 2026
Domestic (flights within the UK)	£8.26	£16.52	£146.63
Band A (0 to 2,000 miles)	£15.49	£33.04	£146.63
Band B (2,001 to 5,500 miles)	£105.33	£251.95	£1,132.76
Band C (over 5,500 miles)	£109.46	£261.25	£1,178.20

Where a class of travel provides a seat pitch in excess of 1.016 metres (40 inches), the standard rate is the minimum rate that applies.

From 1 April 2027, the higher rate applies to aircraft of 5.7 tonnes and above operating as a business jet. An aircraft operates as a business jet where the time or location of departure or arrival of the flight was negotiated by or for the passenger, or the flight is not a scheduled public flight.

Air Passenger Duty rates for 2028 to 2029

Air Passenger Duty (APD) applies to flights aboard aircraft 5.7 tonnes and above.

Rates for direct long-haul flights from Northern Ireland are devolved and set at £0. Direct long-haul journeys are those where the first leg of the journey is to a destination outside Band A.

Bands (approximate distance in miles from the UK)	Reduced rate (lowest class of travel) from 1 April 2028	Standard rate (other than the lowest class of travel) from 1 April 2028	Higher rate from 1 April 2028
Domestic (flights within the UK)	£8.52	£17.03	£151.18
Band A (0 to 2,000 miles)	£15.97	£34.07	£151.18
Band B (2,001 to 5,500 miles)	£108.60	£259.77	£1,167.93
Band C (over 5,500 miles)	£112.86	£269.36	£1,214.78

Where a class of travel provides a seat pitch in excess of 1.016 metres (40 inches), the standard rate is the minimum rate that applies.

From 1 April 2027, the higher rate applies to aircraft of 5.7 tonnes and above operating as a business jet. An aircraft operates as a business jet where the time or location of departure or arrival of the flight was negotiated by or for the passenger, or the flight is not a scheduled public flight.

Fuel Duty — pound per litre unless stated

Light oils

	Rates from 23 March 2022	Rates from 15 June 2026 to 30 June 2027	Rates from 1 July 2027
Unleaded petrol	0.5295	0.5295	0.6059
Light oil (other than unleaded petrol or	0.6267	0.6267	0.7075

	Rates from 23 March 2022	Rates from 15 June 2026 to 30 June 2027	Rates from 1 July 2027
aviation gasoline)			
Aviation gasoline (Avgas)	0.3629	0.3629	0.3994
Light oil delivered to an approved person for use as furnace fuel	0.0978	0.0978	0.1119
Heavy oils			
	Rates from 23 March 2022	Rates from 15 June 2026 to 30 June 2027	Rates from 1 July 2027
Heavy oil (diesel)	0.5295	0.5295	0.6059
Marked gas oil (red diesel)	0.1018	0.0648	0.1165
Fuel oil	0.0978	0.0978	0.1119
Heavy oil other than fuel oil, gas oil or kerosene for use as fuel	0.0978	0.0978	0.1119
Kerosene for use as fuel for an excepted machine (other than for heating)	0.1018	0.0648	0.1165
Biofuels			
	Rates from 23 March 2022	Rates from 15 June 2026 to 30 June 2027	Rates from 1 July 2027
Bioethanol	0.5295	0.5295	0.6059
Biodiesel	0.5295	0.5295	0.6059
Biodiesel for use in an excepted machine	0.1018	0.0648	0.1165

	Rates from 23 March 2022	Rates from 15 June 2026 to 30 June 2027	Rates from 1 July 2027
Biodiesel blended with gas oil for use in an excepted machine	0.1018	0.0648	0.1165

Road fuel gases

	Rates from 23 March 2022	Rates from 15 June 2026 to 30 June 2027	Rates from 1 July 2027
Natural road fuel gas including biogas (£ per kilogram)	0.2257 £/kg	0.2257 £/kg	0.2582 £/kg
Other road fuel gases including liquefied petroleum gas (£ per kilogram)	0.2888 £/kg	0.2888 £/kg	0.3305 £/kg

Other fuels

	Rates from 23 March 2022	Rates from 15 June 2026 to 30 June 2027	Rates from 1 July 2027
Aqua-methanol set aside for road use	0.0722	0.0722	0.0826

Vehicle Excise Duty (VED) bands and rates for cars first registered on or after 1 April 2017

The changes to VED rates to take effect from 1 April 2026 are set out in the following tables.

Tax year 2025 to 2026

CO2 emissions (g/km)	Standard rate	First year rate
0	195	10

CO2 emissions (g/km)	Standard rate	First year rate
1 to 50	195	110
51 to 75	195	130
76 to 90	195	270
91 to 100	195	350
101 to 110	195	390
111 to 130	195	440
131 to 150	195	540
151 to 170	195	1,360
171 to 190	195	2,190
191 to 225	195	3,300
226 to 255	195	4,680
Over 255	195	5,490

Tax year 2026 to 2027

CO2 emissions (g/km)	Standard rate	First year rate
0	200	10
1 to 50	200	115
51 to 75	200	135
76 to 90	200	280
91 to 100	200	365
101 to 110	200	405
111 to 130	200	455
131 to 150	200	560
151 to 170	200	1,410

CO2 emissions (g/km)	Standard rate	First year rate
171 to 190	200	2,270
191 to 225	200	3,420
226 to 255	200	4,850
Over 255	200	5,690

Tax year 2027 to 2028

CO2 emissions (g/km)	Standard rate	First year rate
0	210	10
1 to 50	210	120
51 to 75	210	140
76 to 90	210	295
91 to 100	210	380
101 to 110	210	425
111 to 130	210	475
131 to 150	210	585
151 to 170	210	1,475
171 to 190	210	2,375
191 to 225	210	3,575
226 to 255	210	5,070
Over 255	210	5,950

Budget 2018 announced that new diesel vehicles registered after 1 April 2018 that do not meet the real driving emission step 2 (RDE2) standard will be charged a supplement on their first year rate to the effect of moving up by one VED band.

Petrol and diesel cars with a list price of over £40,000 and zero emission cars with a list price over £50,000 in the registration year will pay an

additional rate of £440 per annum on top of the standard rate, in the second to sixth years after the car's first registration (known as the Expensive Car Supplement (ECS)).

Vehicle Excise Duty bands and rates for cars first registered on or after 1 March 2001

Tax year 2025 to 2026

Vehicle Excise Duty band	CO2 emissions (g/km)	Standard rate
A	Up to 100	20
B	101 to 110	20
C	111 to 120	35
D	121 to 130	165
E	131 to 140	195
F	141 to 150	215
G	151 to 165	265
H	166 to 175	315
I	176 to 185	345
J	186 to 200	395
K	201 to 225	430
L	226 to 255	735
M	Over 255	760

Band K includes cars emitting over 225g/km registered before 23 March 2006.

Tax year 2026 to 2027

Vehicle Excise Duty band	CO2 emissions (g/km)	Standard rate
A	Up to 100	20

Vehicle Excise Duty band	CO2 emissions (g/km)	Standard rate
B	101 to 110	20
C	111 to 120	35
D	121 to 130	170
E	131 to 140	200
F	141 to 150	225
G	151 to 165	275
H	166 to 175	325
I	176 to 185	360
J	186 to 200	410
K	201 to 225	445
L	226 to 255	760
M	Over 255	790

Band K includes cars emitting over 225g/km registered before 23 March 2006.

Tax year 2027 to 2028

Vehicle Excise Duty band	CO2 emissions (g/km)	Standard rate
A	Up to 100	20
B	101 to 110	20
C	111 to 120	35
D	121 to 130	180
E	131 to 140	210
F	141 to 150	235
G	151 to 165	290

Vehicle Excise Duty band	CO2 emissions (g/km)	Standard rate
H	166 to 175	340
I	176 to 185	375
J	186 to 200	430
K	201 to 225	465
L	226 to 255	795
M	Over 255	825

Vehicle Excise Duty bands and rates for cars and vans registered before 1 March 2001

Engine size	Tax year 2025 to 2026	Tax year 2026 to 2027	Tax year 2027 to 2028
1549cc and below	220	230	240
Above 1549cc	360	375	390

Vehicle Excise Duty bands and rates for vans registered on or after 1 March 2001

Vehicle registration date	Tax year 2025 to 2026	Tax year 2026 to 2027	Tax year 2027 to 2028
Early Euro 4 and Euro 5 compliant vans and pre-2011 electric vans	140	140	140
All other vans	345	360	375

Vehicle Excise Duty bands and rates for motorcycles

Engine Size	Tax year 2025 to 2026	Tax year 2026 to 2027	Tax year 2027 to 2028
Not over 150cc	26	27	28
151cc to 400cc	57	59	62
401cc to 600cc	87	90	94
Over 600cc	121	125	131

Vehicle Excise Duty bands and rates for motor tricycles

Engine Size	Tax year 2025 to 2026	Tax year 2026 to 2027	Tax year 2027 to 2028
Not over 150cc	26	27	28
All other tricycles	121	125	131

Vehicle Excise Duty bands and rates for trade licences

Vehicle type	Tax year 2025 to 2026	Tax year 2026 to 2027	Tax year 2027 to 2028
Available for all vehicles	171	177	185

Vehicle type	Tax year 2025 to 2026	Tax year 2026 to 2027	Tax year 2027 to 2028
Available only for bicycle sand tricycles (weighing no more than 450kg without a sidecar)	121	125	131

Vehicle Excise Duty bands and rates for articulated vehicles and rigid vehicles without trailers

Vehicle Excise Duty band (letter and rate number)	12 months	6 months
A0	£185	£101.75
B0	£225	£123.75
A1	£90	£45
A2	£94	£47
A3	£113	£56.50
A4	£164	£82
A5	£170	£85
B1	£107	£53.50
B2	£118	£59
B3	£141	£70.50
C1	£236	£118
C2	£298	£149
C3	£325	£162.50
D1	£337	£168.50
E1	£628	£314

Vehicle Excise Duty band (letter and rate number)	12 months	6 months
E2	£684	£342
F	£775	£387.50
G	£955	£477.50

Vehicle Excise Duty (VED) amounts payable for rigid vehicles with trailers (vehicles with road friendly suspension)

Heavy goods vehicle (HGV) axles	Trailer weight category	Total weight of HGV and trailer, not over	VED band (letter) and rate (number)	VED rates — 12 months	VED rates — 6 months
2	4,001kg to 12,000 kg	27,000kg	B(T)1	£258	£129
2	Over 12,000kg	33,000kg	B(T)3	£331	£165.50
2	Over 12,000kg	36,000kg	B(T)6	£451	£225.50
2	Over 12,000kg	38,000kg	B(T)4	£359	£179.50
2	Over 12,000kg	40,000kg	B(T)7	£499	£249.50
2	4,001kg to 12,000kg	30,000kg	D(T)1	£410	£205
2	Over 12,000kg	38,000kg	D(T)4	£483	£241.50
2	Over 12,000kg	40,000kg	D(T)5	£499	£249.50

Heavy goods vehicle (HGV) axles	Trailer weight category	Total weight of HGV and trailer, not over	VED band (letter) and rate (number)	VED rates — 12 months	VED rates — 6 months
3	4,001kg to 12,000kg	33,000kg	B(T)1	£258	£129
3	Over 12,000kg	38,000kg	B(T)3	£331	£165.50
3	Over 12,000kg	40,000kg	B(T)5	£440	£220
3	Over 12,000kg	44,000kg	B(T)3	£331	£165.50
3	4,001kg to 12,000kg	35,000kg	C(T)1	£343	£171.50
3	Over 12,000kg	38,000kg	C(T)2	£415	£207.50
3	Over 12,000kg	40,000kg	C(T)3	£440	£220
3	Over 12,000kg	44,000kg	C(T)2	£415	£207.50
3	4,001kg to 10,000kg	33,000kg	D(T)1	£410	£205
3	4,001kg to 10,000kg	36,000kg	D(T)3	£451	£225.50
3	10,001kg to 12,000kg	38,000kg	D(T)1	£410	£205
3	Over 12,000kg	44,000kg	D(T)4	£483	£241.50
4	4,001kg to 12,000kg	35,000kg	B(T)1	£258	£129
4	Over 12,000kg	44,000kg	B(T)3	£331	£165.50

Heavy goods vehicle (HGV) axles	Trailer weight category	Total weight of HGV and trailer, not over	VED band (letter) and rate (number)	VED rates — 12 months	VED rates — 6 months
4	4,001kg to 12,000kg	37,000kg	C(T)1	£343	£171.50
4	Over 12,000kg	44,000kg	C(T)2	£415	£207.50
4	4,001kg to 12,000kg	39,000kg	D(T)1	£410	£205
4	Over 12,000kg	44,000kg	D(T)4	£483	£241.50
4	4,001kg to 12,000kg	44,000kg	E(T)1	£601	£300.50
4	Over 12,000kg	44,000kg	E(T)2	£674	£337

Vehicle Excise Duty (VED) amounts payable for rigid vehicles with trailers (vehicles without road friendly suspension)

Heavy goods vehicle (HGV) axles	Trailer weight category	Total weight of HGV and trailer, not over	VED band (letter) and rate (number)	VED rates — 12 months	VED rates — 6 months
2	4,001kg to 12,000 kg	27,000kg	B(T)1	£258	£129
2	Over 12,000kg	31,000kg	B(T)3	£331	£165.50
2	Over 12,000kg	33,000kg	B(T)6	£451	£225.50

Heavy goods vehicle (HGV) axles	Trailer weight category	Total weight of HGV and trailer, not over	VED band (letter) and rate (number)	VED rates — 12 months	VED rates — 6 months
2	Over 12,000kg	36,000kg	B(T)10	£684	£342
2	Over 12,000kg	38,000kg	B(T)7	£499	£249.50
2	Over 12,000kg	40,000kg	B(T)9	£679	£339.50
2	4,001kg to 12,000 kg	30,000kg	D(T)1	£410	£205
2	Over 12,000kg	33,000kg	D(T)4	£483	£241.50
2	Over 12,000kg	36,000kg	D(T)8	£684	£342
2	Over 12,000kg	38,000kg	D(T)5	£499	£249.50
2	Over 12,000kg	40,000kg	D(T)7	£679	£339.50
3	4,001kg to 10,000kg	29,000kg	B(T)1	£258	£129
3	4,001kg to 10,000kg	31,000kg	B(T)2	£325	£162.50
3	10,001kg to 12,000kg	33,000kg	B(T)1	£258	£129
3	Over 12,000kg	36,000kg	B(T)3	£331	£165.50
3	Over 12,000kg	38,000kg	B(T)5	£440	£220
3	Over 12,000kg	40,000kg	B(T)8	£610	£305

Heavy goods vehicle (HGV) axles	Trailer weight category	Total weight of HGV and trailer, not over	VED band (letter) and rate (number)	VED rates — 12 months	VED rates — 6 months
3	4,001kg to 10,000kg	31,000kg	C(T)1	£343	£171.50
3	4,001kg to 10,000kg	33,000kg	C(T)4	£451	£225.50
3	10,001kg to 12,000kg	35,000kg	C(T)1	£343	£171.50
3	Over 12,000kg	36,000kg	C(T)2	£415	£207.50
3	Over 12,000kg	38,000kg	C(T)3	£440	£220
3	Over 12,000kg	40,000kg	C(T)5	£610	£305
3	4,001kg to 10,000kg	31,000kg	D(T)1	£410	£205
3	4,001kg to 10,000kg	33,000kg	D(T)3	£451	£225.50
3	4,001kg to 10,000kg	35,000kg	D(T)8	£684	£342
3	10,001kg to 12,000kg	36,000kg	D(T)1	£410	£205
3	10,001kg to 12,000kg	37,000kg	D(T)2	£440	£220
3	Over 12,000kg	38,000kg	D(T)4	£483	£241.50
3	Over 12,000kg	40,000kg	D(T)6	£610	£305

Heavy goods vehicle (HGV) axles	Trailer weight category	Total weight of HGV and trailer, not over	VED band (letter) and rate (number)	VED rates — 12 months	VED rates — 6 months
4	4,001kg to 12,000kg	35,000kg	B(T)1	£258	£129
4	Over 12,000kg	40,000kg	B(T)3	£331	£165.50
4	4,001kg to 12,000kg	37,000kg	C(T)1	£343	£171.50
4	Over 12,000kg	40,000kg	C(T)2	£415	£207.50
4	4,001kg to 10,000kg	36,000kg	D(T)1	£410	£205
4	4,001kg to 10,000kg	37,000kg	D(T)5	£499	£249.50
4	10,001kg to 12,000kg	39,000kg	D(T)1	£410	£205
4	Over 12,000kg	40,000kg	D(T)4	£483	£241.50
4	4,001kg to 10,000kg	38,000kg	E(T)1	£601	£300.50
4	4,001kg to 10,000kg	40,000kg	E(T)3	£679	£339.50
4	10,001kg to 12,000kg	40,000kg	E(T)1	£601	£300.50

Rigid goods vehicles

The band and rate payable can be calculated by using the following look-up tables.

In the tables, the letter indicates the Vehicle Excise Duty band the vehicle is in, and the number indicates the rate that is payable as part of that band (for example, B2 would refer to Vehicle Excise Duty band B, and rate 2 as determined by the weight and axle configuration of the vehicle).

For vehicles with trailers, the rate paid depends on whether the vehicle has road friendly suspension.

There are separate tables for vehicles with and without road friendly suspension.

Rigid goods vehicle without trailer

Revenue weight of vehicle (kg)	2 axles	3 axles	4 or more axles
3,500kg to 7,500kg	A0	A0	A0
Over 7,500kg to 11,999kg	B0	B0	B0
Over 11,999kg to 14,000kg	B1	B1	B1
Over 14,000kg to 15,000kg	B2	B1	B1
Over 15,000kg to 19,000kg	D1	B1	B1
Over 19,000kg to 21,000kg	D1	B3	B1
Over 21,000kg to 23,000kg	D1	C1	B1
Over 23,000kg to 25,000kg	D1	D1	C1
Over 25,000kg to 27,000kg	D1	D1	D1
Over 27,000kg to 44,000kg	D1	D1	E1

Rigid goods vehicle with trailer

Revenue weight of vehicle (not trailer) (kg)	2-axled rigid	3-axled rigid	4-axled rigid
11,999kg to 15,000kg	B(T)	B(T)	B(T)
Over 15,000kg to 21,000kg	D(T)	B(T)	B(T)
Over 21,000kg to 23,000kg	E(T)	C(T)	B(T)

Revenue weight of vehicle (not trailer) (kg)	2-axled rigid	3-axled rigid	4-axled rigid
Over 23,000kg to 25,000kg	E(T)	D(T)	C(T)
Over 25,000kg to 27,000kg	E(T)	D(T)	D(T)
Over 27,000kg to 44,000kg	E(T)	E(T)	E(T)

Articulated vehicles

Articulated vehicles — tractive unit with 3 or more axles

Revenue weight of vehicle (not trailer) (kg)	One or more semi-trailer axles	2 or more semi-trailer axles	3 or more semi-trailer axles
3,500kg to 11,999kg	A0	A0	A0
Over 11,999kg to 25,000kg	A1	A1	A1
Over 25,000kg to 26,000kg	A3	A1	A1
Over 26,000kg to 28,000kg	A4	A1	A1
Over 28,000kg to 29,000kg	C1	A1	A1
Over 29,000kg to 31,000kg	C3	A1	A1
Over 31,000kg to 33,000kg	E1	C1	A1
Over 33,000kg to 34,000kg	E2	D1	A1
Over 34,000kg to 36,000kg	E2	D1	C1

Revenue weight of vehicle (not trailer) (kg)	One or more semi-trailer axles	2 or more semi-trailer axles	3 or more semi-trailer axles
Over 36,000kg to 38,000kg	F	E1	D1
Over 38,000kg to 44,000kg	G	G	E1

Articulated vehicles — tractive unit with 2 axles

Revenue weight of vehicle (not trailer) (kg)	One or more semi-trailer axles	2 or more semi-trailer axles	3 or more semi-trailer axles
3,500kg to 11,999kg	A0	A0	A0
Over 11,999kg to 22,000kg	A1	A1	A1
Over 22,000kg to 23,000kg	A2	A1	A1
Over 23,000kg to 25,000kg	A5	A1	A1
Over 25,000kg to 26,000kg	C2	A3	A1
Over 26,000kg to 28,000kg	C2	A4	A1
Over 28,000kg to 31,000kg	D1	D1	A1
Over 31,000kg to 33,000kg	E1	E1	C1
Over 33,000kg to 34,000kg	E1	E2	C1
Over 34,000kg to 38,000kg	F	F	E1
Over 38,000kg to 44,000kg	G	G	G

Heavy Goods Vehicle (HGV) levy

Weight category	Newest, cleanest vehicles (EURO VI or later)	Older vehicles (Euro V or earlier)
From 12 tonnes, and up to 31 tonnes	£168	£219
Above 31 tonnes and up to 38 tonnes	£405	£526
Above 38 tonnes	£647	£841

Shorter-term rates are available for foreign vehicles — the daily rate is set at 2% of the annual rate, and the weekly and monthly rates are 5% and 10% of the annual rate respectively.

There are two exceptions to this formula for calculating the daily rates for 2027 to 2028. The daily rates for the heaviest EURO VI and EURO 0-V HGVs (above 38 tonnes) have been increased from their 2026 to 2027 rates in line with the Retail Price Index (RPI).

VAT

	April 2026 to 2027	April 2027 to 2028
Standard rate	20%	20%
Reduced rate	5%	5%
Zero rate	0%	0%
Exempt	Not applicable	Not applicable

VAT registration and deregistration thresholds

	From April 2026	From April 2027
VAT registration thresholds	£90,000	£90,000
VAT deregistration thresholds	£88,000	£88,000



OGL

All content is available under the [Open Government Licence v3.0](#), except where otherwise stated



© Crown copyright