

Budget 2018

The key changes affecting your personal taxes

The personal allowance

2019/20



£12,500

2018/19



£11,850

2017/18



£11,500

Higher rate

The higher rate threshold* also increased - you will start to pay 40% on taxable income over £50,000

* Different income tax rates and thresholds apply in Scotland, to be announced in the draft Budget on 12 December 2018



Extra money

The increased personal allowance and higher rate thresholds **take effect from April 2019** a year earlier than promised. The Treasury estimates this will cut tax bills for **32 million people**.

Mr Hammond estimates that a basic rate taxpayer will pay **£1,205 less tax in 2019/20**

National minimum wage increases

