



Finance Act 2016

2016 CHAPTER 24

PART 1

INCOME TAX

Charge and principal rates etc

1 Income tax charge and rates for 2016-17

- (1) Income tax is charged for the tax year 2016-17.
- (2) For that tax year—
 - (a) the basic rate is 20%,
 - (b) the higher rate is 40%, and
 - (c) the additional rate is 45%.

2 Basic rate limit for 2017-18

- (1) In section 4(1)(b) of FA 2015 (basic rate limit for 2017-18) for “£32,400” substitute “£33,500”.
- (2) Accordingly, omit section 6(b) of F(No.2)A 2015 (basic rate limit for 2017-18).

3 Personal allowance for 2017-18

- (1) In section 5(1)(b) of FA 2015 (personal allowance for 2017-18) for “£11,200” substitute “£11,500”.
- (2) Accordingly, omit section 5(b) of F(No.2)A 2015 (personal allowance for 2017-18).