



HM Treasury

Spring Budget 2024

Policy Costings

March 2024

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Introduction

This document sets out the assumptions and methodologies underlying costings for tax and annually managed expenditure (AME) policy decisions announced since Autumn Statement 2023, where those policies have a fiscally significant impact on the public finances. These costings are all submitted to the independent Office for Budget Responsibility (OBR) for their certification. All measures were certified. This publication is part of the government's wider commitment to increased transparency.

Chapter 2 presents detailed information on the main data and assumptions underpinning the costing of policies in the Spring Budget. Each note sets out a description of the measure, the base, the methodology for the costing (including relevant adjustments for behavioural responses) and highlights main areas of additional uncertainty, beyond those inherent in the OBR's forecast. All costings are presented on a National Accounts basis.

Annex A sets out the indexation assumptions included in the public finances forecast baseline, including all pre-announcements. The OBR set out the approach they have taken to scrutiny and certification of the costings, and highlights areas of particular uncertainty, in the Economic and Fiscal Outlook.

Chapter 1

Policy Costings

National Insurance contributions (NICs): cut the main rate of Class 1 employee NICs from 10% to 8% from 6 April 2024

Measure description

This measure reduces the main rate of Employee (Class 1) National Insurance Contributions (NICs) by 2ppts to 8%.

This measure will be effective from 6 April 2024.

The tax base

The tax base includes all individuals who pay employee NICs from April 2024. The base is estimated using HMRC's Personal Tax Model based on the 2019-20 Survey of Personal Incomes, projected forward using the OBR's Spring Budget 2024 economic determinants.

Costing

The static costing is estimated by applying the pre- and post-measure tax regimes to the tax base described above, accounting for any knock-on impact on welfare payments.

The costing accounts for several behavioural responses and also accounts for changes to future incorporations of businesses.

Labour market impacts of this measure are accounted for via the Office for Budget Responsibility's indirect effects analysis, as set out in their Economic and Fiscal Outlook report.

Exchequer impact (£m)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Exchequer impact	+0m	-9,360m	-9,295m	-9,490m	-9,705m	-9,990m

Areas of uncertainty

The main uncertainties in this costing relate to the size of the tax base and the behavioural response.

National Insurance contributions: cut the main rate of Class 4 self-employed NICs from 8% to 6% from 6 April 2024

Measure description

This measure reduces the main rate of Self-Employed (Class 4) NICs by 2ppts to 6%.

This measure will be effective from 6 April 2024.

The tax base

The tax base includes all individuals and partnerships who pay self-employed NICs from April 2024. The base is estimated using HMRC's Personal Tax Model based on the 2019-20 Survey of Personal Incomes, projected forward using the OBR's Spring Budget 2024 economic determinants.

Costing

The static costing is estimated by applying the pre- and post-measure tax regimes to the tax base described above, accounting for any knock-on impact on welfare payments.

The costing accounts for several behavioural responses and also accounts for changes to future incorporations of businesses.

Labour market impacts of this measure are accounted for via the Office for Budget Responsibility's indirect effects analysis, as set out in their Economic and Fiscal Outlook report.

Exchequer impact (£m)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Exchequer impact	+0m	-710m	-850m	-735m	-740m	-760m

Areas of uncertainty

The main uncertainties in this costing relate to the size of the tax base and the behavioural response.

High Income Child Benefit Charge: increase income threshold to £60,000 and taper range to £60,000 to £80,000 from 6 April 2024

Measure description

This measure will raise the threshold for the High Income Child Benefit Charge (HICBC) from £50,000 to £60,000, as well as halving the rate at which it is charged so Child Benefit is not fully withdrawn until £80,000.

This measure will be effective from 6 April 2024.

The tax base

The tax base consists of households with children where the higher earner has an income between the current HICBC threshold of £50,000 and the new top end of the taper range of £80,000. The tax base is estimated using administrative and survey data and grown over the forecast horizon using growth rates derived from HMRC's Personal Tax Model, based on the 2019-20 Survey of Personal Incomes, projected forward using the OBR's Spring Budget 2024 economic determinants.

Costing

The static costing is estimated by calculating the amount of reduced HICBC revenue paid by existing taxpayers.

The costing accounts for a behavioural response through an increase in take-up of Child Benefit payments.

Exchequer impact (£m)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Exchequer impact	+0m	-540m	-635m	-640m	-645m	-660m

Areas of uncertainty

The main uncertainties in this costing relate to the size of the tax base and the behavioural response.

Fuel Duty: 12 month extension to the 5p cut in rates and no RPI increase in 2024-25

Measure description

This measure extends the reduction of the rate of fuel duty that was implemented on 23 March 2022 for a further 12 months. This means maintaining fuel duty rates at their current level until the end of 22 March 2025.

This includes maintaining the 5 pence per litre (5ppl) cut on rates for heavy oil (diesel and kerosene), unleaded and leaded petrol, and light oil, with a proportionate percentage cut (equivalent to 5ppl from the main fuel duty rate of 57.95ppl) in other lower rates and the rates for rebated fuels where practical.

This measure will be effective from 23 March 2024.

The tax base

The tax base is all taxable fuel that is made available for use in the UK. The projected volumes of taxable fuel are taken directly from the HMRC fuel duty forecasting model.

Costing

The costing is calculated by taking the forecast baseline and applying the difference in the forecast and policy duty rates.

Behavioural responses are included to account for changes in consumption in response to this measure.

Exchequer impact (£m)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Exchequer impact	-45m	-3,090m	-820m	-830m	-835m	-840m

Areas of uncertainty

The main uncertainties in this costing relate to the size of the tax base and the behavioural response.

Alcohol duty: freeze rates until 1 February 2025

Measure description

This measure freezes alcohol duty at the current level until 1 February 2025.

This measure will be effective from 1 August 2024.

The tax base

Alcohol duty is payable on alcoholic products at the point at which it is released for consumption onto the UK market, referred to as alcohol clearances. The tax base for this measure is the forecast number of alcohol clearances, derived from the OBR's alcohol duty forecast.

Costing

The static costing is estimated by applying the pre- and post-measure tax regimes to the tax base described above.

The costing accounts for a small behavioural response whereby the demand for alcoholic products is adjusted in response to the duty rate change. The costing is also adjusted to remove forestalling caused by the previously assumed August 2024 uprating.

Exchequer impact (£m)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Exchequer impact	+0m	-185m	-345m	-365m	-385m	-405m

Areas of uncertainty

The main uncertainties in this costing relate to the size of the behavioural response.

VAT: increase the registration threshold to £90,000 and the deregistration threshold to £88,000 from 1 April 2024

Measure description

This measure increases the VAT registration threshold to £90,000 and freezes it at that level thereafter.

This measure will be effective from 1 April 2024.

The tax base

The tax base is the taxable outputs, less inputs, of the change in the number of businesses expected to be registered for VAT as a result of the change in the threshold.

Costing

The costing is estimated by calculating the tax liability of all traders affected by the measure based on their turnover and totalling this across the population of affected traders.

Exchequer impact (£m)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Exchequer impact	+0m	-150m	-185m	-125m	-50m	+65m

Areas of uncertainty

The main uncertainties in this costing relate to the size of the tax base.

Visual effects tax relief: removal of 80% cap on qualifying expenditure and 5% uplift for qualifying costs from 1 April 2025

Measure description

This measure will provide additional relief on visual effects (VFX) expenditure performed in the UK, through changing the existing Audio-Visual Expenditure Credit (AVEC). The additional relief will consist of the removal of the 80% cap on qualifying expenditure for UK VFX expenditure, and a 5% uplift for qualifying VFX costs.

This measure will be effective from 1 April 2025.

The tax base

The tax base consists of qualifying expenditure for Film and High-end TV (HETV) tax reliefs taken from information provided alongside tax returns. The tax base is grown over the forecast horizon using the OBR forecast for nominal GDP.

Costing

The static costing is estimated by applying the pre- and post-measure tax regimes to the tax base described above.

The costing accounts for a behavioural response whereby qualifying companies are incentivised to conduct additional VFX work in the UK, rather than overseas.

Exchequer impact (£m)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Exchequer impact	+0m	+0m	-10m	-65m	-70m	-70m

Areas of uncertainty

The main uncertainties in this costing relate to the size of the tax base and the behavioural response.

Business Rates: 40% relief for eligible film studios in England for 10 years from 1 April 2024

Measure description

This measure reduces business rates bills for eligible film studios. The relief rate is 40%, measured against the studio's gross bill, before any other reliefs are applied.

This measure will be effective from 1 April 2024.

The tax base

The tax base consists of the total rateable value of eligible film studios, multiplied by the 2024-25 business rates multipliers.

Costing

The static costing is estimated by applying the pre- and post-measure tax regimes to the tax base described above. The static cost is adjusted to reflect the fact that business rates are deductible for Corporation Tax for companies and Income Tax for the self-employed, and that business rates are devolved to Scotland, Wales and Northern Ireland.

The costing includes no adjustments for behavioural effects.

Exchequer impact (£m)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Exchequer impact	+0m	-5m	-20m	-40m	-45m	-50m

Areas of uncertainty

The main uncertainties relate to future growth in the size of the tax base.

Audio-visual Expenditure Credit: new 53% rate of relief for expenditure on eligible UK independent film productions from 1 April 2024

Measure description

This measure provides a higher rate of relief for productions that meet the qualifying criteria for a 'UK independent film'.

The higher rate will be claimable from 1 April 2025, on expenditure incurred from 1 April 2024 onwards provided principal photography commenced from that date.

The tax base

The tax base for this measure is qualifying expenditure on film tax relief, a proportion of which is assumed to qualify as independent films. This is based on films with budgets of up to £15 million. The tax base is estimated using a combination of HMRC administrative and industry data.

The tax base is projected in line with the OBR forecast for nominal GDP.

Costing

The static costing is estimated by applying the pre- and post-measure tax regimes to the tax base described above.

The costing accounts for two behavioural responses, including higher take-up of the new relief and additional expenditure on independent films, incentivised by the new relief.

Exchequer impact (£m)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Exchequer impact	+0m	+0m	-60m	-65m	-80m	-80m

Areas of uncertainty

The main uncertainties in this costing relate to the size of the tax base and the behavioural response.

Orchestra, theatre and museums/galleries tax reliefs: permanent extension of 40% for non-touring productions and 45% for touring and orchestral productions

Measure description

This measure will permanently increase the rates of tax relief for Orchestra, Theatre, Museums and Galleries. The higher rates will be 45% for touring productions/orchestras and 40% for non-touring productions. The tax relief for Museums and Galleries will be made permanent.

This measure will be effective from 1 April 2025.

The tax base

The tax base consists of qualifying expenditure for the cultural reliefs (Theatre, Orchestra, Museum & Galleries). The tax base is grown over the forecast horizon using the OBR forecast for nominal GDP.

Costing

The static costing is estimated by applying the pre- and post-measure tax regimes to the tax base described above.

The costing accounts for a behavioural response due to increased qualifying expenditure in response to higher rates of relief.

Exchequer impact (£m)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Exchequer impact	+0m	+0m	-10m	-60m	-130m	-170m

Areas of uncertainty

The main uncertainties in this costing relate to the size of the behavioural response.

Reserved Investor Fund: tax rules to facilitate the introduction of a new investment fund vehicle

Measure description

The Reserved Investor Fund (RIF) will be a new form of UK fund vehicle with a tax regime that will offer similar tax benefits to other comparable UK and non-UK funds. The new rules will tax investors on returns from investment assets held by the RIF in a similar way to if they had invested in the assets directly. The rules will also provide a relief from Stamp Duty Land Tax (SDLT) for the transfer of property into the RIF during a seeding period and some exemptions from Stamp Duty and Stamp Duty Reserve Tax (SDRT).

The costing assumes the measure takes effect from 2024/25. The precise commencement point will be determined in a statutory instrument to be laid at a later date.

The tax base

The tax base for this measure is the value of relieved transfers of units in RIFs and property moved into RIFs, which would otherwise have attracted a Stamp Duty, SDRT or SDLT charge. It is estimated using industry data and research.

The tax base is grown over the period using the OBR's forecasts for the value of commercial property transactions.

Costing

The measure has no static impact on tax revenues. As the RIF will be a new form of fund vehicle, there are currently no transactions of units in RIFs or movements of property into RIFs to relieve.

The costing accounts for a behavioural response whereby the turnover of properties within the RIF is expected to be lower than if the properties were held in existing investment vehicles, which results in a small cost in SDLT revenue.

Exchequer impact (£m)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Exchequer impact	+0m	*	*	*	-5m	-5m

Areas of uncertainty

The main uncertainties in this costing relate to the size of the tax base and the behavioural response.

Increased capacity for processing disability benefits from 2024-25

Measure description

This measure provides additional funding to support the processing of increased volumes of disability benefit claims. This will increase system capacity to handle both new and existing claims, ensuring people are receiving appropriate support in a timely manner. This results in some AME impacts, as more award reviews can be completed on time. Award reviews can lead to a reduction in award amounts as some claimants' conditions can improve over time.

The cost base

The cost base is estimated using DWP's Personal Independence Payment (PIP) AME forecasting model.

Costing

This costing accounts for AME savings to DWP by estimating the difference the additional processing capacity will have on the number of DWP assessments of claimants' ongoing entitlements, compared to the baseline. It then applies the average change in benefit award as a result of these assessments. The costing assumes no behavioural impacts.

Exchequer impact (£m)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Exchequer impact	+0m	-110m	-35m	+0m	+45m	+150m

Areas of uncertainty

The main uncertainties in this costing relate to forecasted demand for disability benefits.

Capital Gains Tax: cut higher rate for property from 28% to 24% from 6 April 2024

Measure description

This measure will reduce the higher rate of Capital Gains Tax (CGT) charged on residential property gains from 28% to 24%.

This measure will be effective from 6 April 2024.

The tax base

CGT on residential property is paid on disposals of residential properties other than an individual's primary residence. The lower rate of CGT (18%) is paid on gains that fall within an individual's unused basic rate band. The higher rate of CGT is paid on any gains above that, or by any higher rate taxpayers. The tax base consists of gains on disposals of residential property that are charged at the higher rate of CGT. This is estimated using HMRC administrative data. The tax base is projected over the scorecard period using the OBR's forecast for CGT, which in turn is grown with projections for residential property prices and transactions.

Costing

A static costing is first estimated by applying the pre- and post-measure tax regimes to the tax base described above.

The costing then accounts for behavioural responses, as the number of disposals change as taxpayers respond to the lower rate. This increases both CGT revenue and other property tax revenues.

Exchequer impact (£m)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Exchequer impact	-70m	+310m	+350m	+45m	+50m	+5m

Areas of uncertainty

The main uncertainties in this costing relate to the behavioural response and the degree to which disposals are expected to change.

Furnished Holiday Lets: abolish preferential tax regime from 6 April 2025

Measure description

This measure removes the specific tax treatment and the separate self-assessment reporting requirements for Furnished Holiday Lettings (FHL). Income and gains will then form part of the taxpayer's UK or overseas property business.

The specific tax treatment that will be abolished includes:

- The exemption from finance cost restriction rules
- The beneficial capital allowance rules
- The access to reliefs from Capital Gains Tax (CGT)
- The inclusion of relevant UK earnings when calculating maximum pension relief

This measure will take effect from 6 April 2025 for Income Tax and Capital Gains Tax, and 1 April 2025 for Corporation Tax and for Corporation Tax on chargeable gains.

The tax base

The tax base is estimated using HMRC administrative data, reflecting individuals, partnerships and companies that operate FHL businesses.

The tax base is grown over the forecast horizon using the relevant OBR forecasts for taxable income.

Costing

The static costing is estimated by applying the pre- and post-measure tax regimes to the tax base described above.

The costing accounts for a small behavioural response, including some forestalling effects and a tax planning response.

This costing also accounts for the interaction with the cut in higher CGT rate for property from 28% to 24% from 6 April 2024, by assuming the rate has already been reduced in the pre-measures counterfactual.

Exchequer impact (£m)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Exchequer impact	+0m	*	+35m	+140m	+180m	+245m

Areas of uncertainty

The main uncertainty in this costing relates to the size of the tax base.

Multiple Dwellings Relief: abolish from 1 June 2024

Measure description

This measure abolishes Multiple Dwellings Relief (MDR) – a relief in the Stamp Duty Land Tax (SDLT) regime that reduces the SDLT payable when an individual or company purchases two or more dwellings in one transaction or as part of a series of linked transactions.

This measure will be effective from 1 June 2024.

The tax base

The tax base consists of MDR claims on residential and mixed-use property transactions, taken from SDLT returns. The costing uses the 2022-23 year as a tax base for the measure.

The tax base is grown over the forecast horizon using the OBR's forecast for average house prices and residential property transactions.

Costing

The static costing is estimated by applying the pre- and post-measure tax regimes to the tax base described above.

The costing accounts for multiple behavioural responses, including transaction and price changes, purchasers bringing forward transactions, and other adjustments of purchasing patterns.

This costing also accounts for the interaction with the cut in higher CGT rate for property from 28% to 24% from 6 April 2024, by assuming the rate has already been reduced in the pre-measures counterfactual.

Exchequer impact (£m)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Exchequer impact	+0m	+70m	+220m	+300m	+340m	+385m

Areas of uncertainty

The main uncertainties in this costing relate to the size of the tax base and the behavioural response.

Taxation of non-domiciled individuals: from 6 April 2025 replace existing regime with a new relief on foreign income and gains available for the first four years of UK tax residency, with transitional arrangements

Measure description

This measure will abolish the current tax regime for non-UK domiciled individuals (non-doms). It will be replaced by a new regime where anyone who has been tax resident in the UK for more than four years will pay UK tax on foreign income and gains as they arise. New arrivals to the UK will pay no UK tax on foreign income and gains for the first four years that they are tax resident here, provided they have been non-tax resident for the last 10 years. They will also continue to benefit from Overseas Workday Relief if eligible.

The reforms include transitional arrangements for existing non-doms, including rebasing of capital assets to 2019 levels, a 50 per cent exemption rate for the taxation of foreign income for the first year of the regime, and a two-year Temporary Repatriation Facility to bring existing offshore income and gains into the UK at a 12 per cent tax rate.

This measure will be effective from 6 April 2025.

The tax base

The tax base is made up of foreign income and gains of UK residents from HMRC administrative data and is grown over the forecast horizon using the OBR forecast for world equity prices.

Costing

The static costing is estimated by applying the pre- and post-measure tax regimes to the tax base described above.

The costing accounts for behavioural responses including migration and tax planning.

Exchequer impact (£m)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Exchequer impact	+0m	+0m	+185m	+2,805m	+3,675m	+2,715m

Areas of uncertainty

The main uncertainties in this costing relate to the size of the tax base and the behavioural response.

Vaping products duty: introduce from 1 October 2026

Measure description

This measure will introduce a UK wide duty on e-liquids used for vaping, comprised of three rates for nicotine free, nicotine (<11mg/ml), and high nicotine (at least 11mg/ml) liquid. These will be set at £1, £2, and £3 per 10ml of liquid respectively.

This measure will be effective from 1 October 2026.

The tax base

The tax base is estimated using a range of industry and market research data on the consumption of e-liquids used in vaping products. The tax base assumes a ban on disposable vaping products in line with the UK government announcement on 28 January 2024. The tax base is projected using survey data, the OBR's population, and inflation assumptions, and expected demand for e-liquids.

Costing

The static costing is estimated by applying the pre- and post-measure tax regimes to the tax base.

A behavioural adjustment is made to account for a reduction in consumer demand for vaping products in response to the change in the price of vaping products, as well as an increase in demand for tobacco products. Assumptions are made on the reformulation, forestalling, and non-compliance responses of producers and consumers.

This costing also accounts for some additional departmental spending provided to support the delivery of this measure.

Exchequer impact (£m)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Exchequer impact	+0m	-15m	-55m	+120m	+380m	+445m

Areas of uncertainty

The main uncertainties in this costing relate to the size of the forecast tax base and the behavioural response.

Tobacco duty: one-off increase to maintain financial incentive to choose vaping over smoking from 1 October 2026

Measure description

This measure imposes a one off additional £0.20 increase per 5g of tobacco or 10 cigarettes for all tobacco duties.

This measure will be effective from 1 October 2026.

The tax base

The tax base is all tobacco products cleared into the UK market. The OBR certified forecast for Tobacco Duty revenues is used to project the tax base in the future.

Costing

The static costing is estimated by applying the pre- and post-measure tax regimes to the tax base described above.

A behavioural adjustment is made to account for changes in consumption in response to a price change.

The costing also accounts for the cost of moving the uprating date from an assumed date of 22 November 2026.

Exchequer impact (£m)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Exchequer impact	+0m	+0m	+0m	+110m	+170m	+170m

Areas of uncertainty

The main uncertainties in this costing relate to the tax base and the behavioural response.

Energy Profits Levy: one year extension from 1 April 2028

Measure description

This measure will extend the Energy Profits Levy (EPL) until 31 March 2029, from its current end date of 31 March 2028. This extension will not change the rate or EPL allowances.

The tax base

The tax base comprises of taxable profits of oil and gas exploration and production companies operating in the UK or on the UK Continental Shelf (UKCS), subject to specific exclusions and allowances. This is estimated using HMRC's North Sea Oil and Gas forecasting model which uses information from annual surveys by the North Sea Transition Authority of operating companies, alongside information from tax returns. The tax base is grown over the forecast period in line with the OBR's forecasts for production, expenditure and oil and gas prices.

Costing

The static costing is estimated by applying the pre- and post-measure tax regimes to the tax base described above. The behavioural effect of this measure is expected to be neutral.

Exchequer impact (£m)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Exchequer impact	+0m	+0m	+0m	+0m	+355m	+1,175m

Areas of uncertainty

The main uncertainties in this costing relate to the size of the tax base and the behavioural response.

Air Passenger Duty: adjustment to non-economy class rates from 2025-26

Measure description

This measure increases the 2025-26 rates of Air Passenger Duty for those flying premium economy, business and first class, based on forecast RPI and adjusted to account for recent high inflation. As per existing policy, rates for economy passengers will only increase in line with forecast RPI. All rates are rounded to the nearest pound. This means that for those in economy class on domestic or short-haul flights, rates will remain frozen.

This measure will be effective from 1 April 2025.

The tax base

The tax base is the number of passengers departing from a UK airport who are liable for APD. Total passenger numbers are separated into bands based on the distance from London to the capital city of the final destination, using Civil Aviation Authority (CAA) data. The tax base is grown in line with the passenger numbers assumed in the OBR's overall APD forecast.

Costing

The costing is estimated by applying the pre- and post-measure tax regimes to the tax base described above.

The costing includes a behavioural effect to account for the change in flights taken resulting from the change in the tax rates.

Exchequer impact (£m)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Exchequer impact	+0m	+0m	+110m	+120m	+130m	+140m

Areas of uncertainty

The main uncertainties in this costing relate to the size of the tax base and the behavioural response.

Landfill tax: RPI adjustment to 2025-26 rates

Measure description

This measure is a one-off adjustment to the Landfill Tax (LFT) rates to account for recent high inflation. The standard rate will increase from £103.70/tonne to £126.15/tonne and the lower rate will increase from £3.30/tonne to £4.05/tonne.

This measure will be effective from 1 April 2025.

The tax base

The tax base consists of total taxable tonnages, derived from HMRC administrative data. The tax base is projected in line with the OBR's population forecasts and adjusted for Department for Environment, Food & Rural Affairs (Defra) waste exports and waste incineration capacity.

Costing

The static costing is estimated by applying the pre- and post-measure tax regimes to the tax base described above.

The costing accounts for a behavioural response due to the impact of the adjustment on the price of landfill services.

Exchequer impact (£m)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Exchequer impact	+0m	+0m	+50m	+50m	+50m	+45m

Areas of uncertainty

The main uncertainties in this costing relate to the future path of RPI, changes to the tax base, and the behavioural response.

Economic Crime (Anti-Money Laundering) Levy: increase the charge for Very Large firms to £500,000 p.a. from 2024-25

Measure description

This measure increases the rate at which liable entities with UK annual revenue greater than £1bn pay the Economic Crime (Anti-Money Laundering) Levy from £250,000 to £500,000 per annum.

This measure will be effective from 1 April 2024.

The tax base

The tax base is all entities with UK annual revenue greater than £1 billion, and which are regulated for Anti-Money Laundering (AML) purposes. This is estimated using population data from HMRC, the Financial Conduct Authority, and the Gambling Commission, which are the bodies responsible for collecting the Economic Crime Levy.

The number of AML-regulated entities with annual UK revenue greater than £1 billion is expected to increase over time in line with OBR earnings growth forecasts.

Costing

The static costing is calculated by multiplying the estimated number of AML-regulated entities with annual revenue greater than £1 billion in each year by £250,000 (the increase in the Economic Crime Levy charge for those entities).

The final costing accounts for behavioural responses to the measure.

Exchequer impact (£m)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Exchequer impact	+0m	+25m	+25m	+25m	+25m	+25m

Areas of uncertainty

The main uncertainties in this costing relate to the growth over time in the tax base, and the size of the behavioural response.

Starting Rate for Savings: maintain at £5,000 for 2024-25

Measure description

This measure maintains the starting rate for savings band at £5,000 for until 5 April 2025.

This measure will be effective from 6 April 2024.

The tax base

The tax base consists of all individuals with savings income above the Personal Allowance and starting rate for savings from April 2024.

The base is estimated using HMRC's Personal Tax Model based on the 2019-20 Survey of Personal Incomes, projected forward using the OBR's economic determinants.

Costing

The static costing is estimated by applying the pre- and post-measure tax regimes to the tax base described above.

The costing also includes a small behavioural adjustment whereby taxpayers move additional savings into ISAs, as well as a small non-compliance adjustment.

Exchequer impact (£m)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Exchequer impact	+0m	+10m	+25m	+20m	+20m	+20m

Areas of uncertainty

The main uncertainties in this costing relate to the forecast of future returns to savings and the behavioural response.

HMRC: investment in debt management capacity

Measure description

This measure provides additional funding to improve HMRC's capacity to collect outstanding tax debts, allowing HMRC to use additional and flexible third-party debt collection capacity.

This measure will be effective from 1st April 2025.

The tax base

The tax base for this measure is the value of debt sent to third party debt collection agencies.

Costing

The costing has been calculated by using data on debt collection rates and the costs of placing debts with third parties to estimate the additional tax collected as a result of the increased funding available to HMRC.

This costing also accounts for some additional departmental spending provided to support the delivery of this measure.

Exchequer impact (£m)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Exchequer impact	+50m	+240m	+895m	+1,120m	+1,095m	+900m

Areas of uncertainty

The main uncertainties in this costing relate to the assumptions of additional tax revenue collected.

HMRC: investment in digital services

Measure description

This measure invests in HMRC's digital services to make it simpler for Income Tax Self Assessment (ITSA) taxpayers to pay tax in instalments, either through the Budget Payment Plan (payment in advance) or Self-Serve Time to Pay (payment in arrears).

This measure will be effective by September 2025.

The tax base

The tax base reflects all Income Tax Self Assessment taxpayers who may sign up to use a Budget Payment Plan (BPP) following the introduction of this service. It is estimated using HMRC administrative data and grown over the forecast in line with the OBR's forecast for Income Tax Self Assessment receipts.

Costing

The measure has no static impact on tax revenues.

The costing accounts for a behavioural response whereby more taxpayers utilise the BPP service.

This costing also accounts for some additional departmental spending provided to support the delivery of this measure.

Exchequer impact (£m)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Exchequer impact	+0m	+0m	+25m	*	*	*

Areas of uncertainty

The main uncertainties in this costing relate to the behavioural response.

Crypto-Asset Reporting Framework: introducing from 2026

Measure description

This measure announces the implementation of the Crypto-asset Reporting Framework (CARF). The CARF is an automatic exchange of information international framework designed to tackle tax avoidance and evasion using crypto-assets.

This measure will be effective from 1st January 2026, with information exchanges taking place from 2027.

The tax base

The tax base for this measure consists of UK individuals making capital gains on crypto-assets who are currently failing to declare some or all of their gains. The tax base is estimated using survey data and HMRC administrative tax data.

Costing

The static costing is the estimated yield from additional compliance activity HMRC is expecting to undertake following the introduction of the measure.

This costing accounts for a behavioural response whereby the exchange of data, and associated compliance activity, provides a deterrent effect that reduces the amount of non-reporting of capital gains by individuals through Self Assessment.

This costing also accounts for some additional departmental spending provided to support the delivery of this measure.

Exchequer impact (£m)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Exchequer impact	+0m	*	*	+35m	+95m	+75m

Areas of uncertainty

The main uncertainties in this costing relate to the size of the tax base and the behavioural response.

Stamp Duty Land Tax: Acquisitions by Registered Social Landlords & Public Bodies from 6 March 2024

Measure description

This measure amends references and definitions used in legislation relating to the Stamp Duty Land Tax (SDLT) exemption for registered providers of social housing. The amendments will update the list of public subsidies to include public grants which have been permitted to be retained and recycled to qualify for the exemption.

This measure ensures the SDLT legislation for registered social landlords is up to date and removes uncertainty for some registered providers of social housing such as local authorities in respect of their eligibility status, and for all registered providers where public subsidy is recycled for the provision of new social housing. This ensures that the exemption continues to operate as intended.

This measure also removes public bodies from the SDLT 15% higher rate charge.

This measure will be effective from 6 March 2024.

The tax base

The tax base consists of residential transactions by local authorities that do not currently claim the Registered Social Landlords (RSL) relief. This is adjusted by an estimate of the percentage of these transactions which would qualify for the RSL relief as a result of the measure. The tax base is grown over the forecast horizon using the OBR forecast for growth in house prices.

The static costing is estimated by applying the pre- and post-measure tax regimes to the tax base described above. The costing does not account for a behavioural response.

Exchequer impact (£m)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Exchequer impact	*	-5m	-5m	-5m	-5m	-5m

Areas of uncertainty

The main uncertainties in this costing relate to the size of the tax base.

Changes to Anti-avoidance Legislation: Transfer of Assets Abroad Provisions

Measure description

This measure amends the Transfer of Assets Abroad (TOAA) Provisions to bring into scope transfers of assets abroad made by companies as well as individuals.

This measure will be effective from 6 April 2024.

The tax base

The tax base consists of the amount of tax at risk from current relevant cases where the expected tax charge has not been paid on dividends from the offshore companies, and therefore would be affected by this measure. The tax base is grown over the forecast horizon using the OBR forecast for profits excluding North Sea oil.

Costing

The static costing is estimated by applying the pre- and post-measure tax regimes to the tax base described above.

This costing accounts for a behavioural response by taxpayers changing their tax planning behaviour.

Exchequer impact (£m)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Exchequer impact	+0m	+0m	+10m	+5m	*	*

Areas of uncertainty

The main uncertainties in this costing relate to the size of the tax base and the behavioural response.

Business Rates: extend the Empty Property Relief ‘reset period’ from six weeks to three months (13 weeks) from 1 April 2024

Measure description

This measure extends the ‘reset period’ for 100% empty property relief (EPR) from six weeks to three months (13 weeks). Non-domestic properties are eligible for 100% relief on business rates for the initial three months of being empty (six months for certain industrial properties), after which full business rates apply. Previously, if a property was reoccupied for six weeks, it qualified for EPR upon becoming vacant again, however this ‘reset period’ is being extended.

This measure will be effective from 1 April 2024.

The tax base

The tax base consists of the total rateable value of non-domestic properties in England that claim EPR.

Costing

The static costing is estimated by applying the pre- and post-measure tax regimes to the cost base described above. The static cost is adjusted to reflect the fact that business rates are deductible for Corporation Tax for companies and Income Tax for the self-employed, and that business rates are devolved to Scotland, Wales, and Northern Ireland.

Exchequer impact (£m)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Exchequer impact	*	+40m	+40m	+40m	+40m	+40m

Areas of uncertainty

The main uncertainties in this costing relate to the size of the tax base.

Inheritance Tax: changes to grants on credit from 1 April 2024

Measure description

This measure removes the requirement for personal representatives (PRs) of estates to have sought commercial loans to pay inheritance tax before applying to obtain a “grant on credit” from HMRC.

This measure will apply for applications made from 1 April 2024.

The tax base

The tax base consists of the PRs of taxpaying estates who could make use of this change.

Costing

This measure has no static cost associated with it.

The costing accounts for a behavioural response where it is assumed that as a result of the relaxation of the eligibility requirements, an increasing proportion of PRs of taxpaying estates will start to use the grant on credit process.

Exchequer impact (£m)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Exchequer impact	+0m	-5m	-5m	-5m	-5m	-5m

Areas of uncertainty

The main uncertainty in this costing relates to the size of the behavioural response.

Inheritance Tax: extend agricultural property relief to certain environmental land management agreements from 6 April 2025

Measure description

This measure extends the existing scope of agricultural property relief (APR) to land managed under an environmental agreement with, or on behalf of, the UK government, Devolved Administrations, public bodies, local authorities, or approved responsible bodies.

This measure will be effective from 6 April 2025.

The tax base

The tax base consists of all estates subject to Inheritance Tax (IHT) that contain agricultural land that has been changed to environmental use prior to the taxable event. The tax base is estimated using HMRC administrative data.

The tax base is grown over the forecast in line with the OBR's forecast for IHT receipts.

Costing

The static costing is estimated by applying the pre- and post-measure tax regimes to the tax base described above.

The costing accounts for a small behavioural response whereby more individuals are expected to repurpose their land towards environmental usage, given the tax incentive of APR being available to a wider population.

Exchequer impact (£m)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Exchequer impact	+0m	+0m	*	*	*	-5m

Areas of uncertainty

The main uncertainties in this costing relate to the size of the tax base and the behavioural response.

Penalty reform for income tax Self Assessment: Making Tax Digital Volunteers

Measure description

This measure ensures that all volunteers who join Making Tax Digital for Income Tax Self Assessment (MTD for ITSA) are subject to the government's reformed system of penalties ('penalty reform') for the late payment of tax or the late submission of a return.

This measure will be effective from 6 April 2024.

The tax base

The tax base consists of ITSA customers who voluntarily join MTD, and the penalties they will generate and pay. This is grown over the forecast horizon in line with HMRC's ITSA receipts forecast.

Costing

The static costing is estimated by applying the pre- and post-measure tax regimes to the tax base described above. The behavioural response to this measure is expected to be negligible.

Exchequer impact (£m)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Exchequer impact	+0m	+0m	+0m	*	*	-5m

Areas of uncertainty

The main uncertainties in this costing relate to the size of the tax base.

Investment Zones in England: tax reliefs and business rates retention

Measure description

This measure will allow various tax reliefs within the specified Investment Zone tax sites and implement business rates retention within specified Investment Zone business rates retention sites. These tax reliefs are an enhanced capital allowance (ECA), enhanced structures and buildings allowance (ESBA), business rates relief, employer National Insurance contributions (NICs) relief and Stamp Duty Land Tax (SDLT) relief between tax site designation and 30 September 2034. These reliefs are all subject to their own eligibility criteria.

This measure will be effective between 2024-25 and 2033-34.

The tax base

For NICs, SDLT, ECA, and ESBA, the tax base consists of the estimated levels of employment, property transactions and capital expenditure within the postcodes associated with costed Investment Zone tax sites in England.

For business rates, the tax base consists of an estimate of the total rateable value of all non-domestic properties in costed English Investment Zone relief sites.

Costing

The costing is based on the latest information on the tax and business rates retention sites that will be agreed in Investment Zones.

The static tax costing is estimated by applying the pre- and post-measure tax regimes to the tax base described above. The costing takes account of behavioural responses to the tax reliefs for ECA, SBA, employer NICs, and SDLT. The business rates relief costings do not include adjustments for behavioural effects.

For business rates retention, the costing is based on an estimate of the change in the business rates base in the costed Investment Zone business rates retention sites in England, together with their existing business rates retention arrangements.

Exchequer impact (£m)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Exchequer impact	*	*	-5m	-5m	-10m	-15m

Areas of uncertainty

The main uncertainties in this costing relate to the size of the tax base and the behavioural response.

Tariff changes since Autumn Statement 2023

Measure description

This measure implements the extension of existing rules of origin within the Trade and Cooperation Agreement (TCA) between the UK and EU until the end of 2026 as agreed in December 2023. This agreement resulted in some previously planned rule changes not taking effect (from January 2024), meaning tariffs should not be due on imports or exports of electric vehicles from or to the EU or Turkey, where the existing rules of origin are met.

The Electric Vehicles measure took effect from 1st January 2024.

The tax base

The tax base is the expected Customs Duty revenue from the relevant commodity codes impacted, had the measure not been implemented.

The tax base has been projected across the forecast using the OBR's forecasts for non-oil imports.

Costing

The static costing is estimated by applying the pre- and post-measure tax regimes to the tax base described above. There is no behavioural effect assumed in the costing. The tariff impact links to an associated forecast adjustment which estimated the increase in revenue due should the rule change have come into effect.

Exchequer impact (£m)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Exchequer impact	-120m	-370m	-235m	-75m	+0m	+0m

Areas of uncertainty

The main uncertainties in this costing relate to the size of the tax base.

Freeports: tax reliefs sunset date extension from 5 to 10 years

Measure description

This measure provides an extension to the tax reliefs for English, Welsh and Scottish Freeports within specified Freeport tax sites.

Freeport tax sites include an enhanced capital allowance (ECA), Structures and Buildings Allowance (SBA), Business Rates relief, Employer National Insurance Contributions (NICs) relief and a Stamp Duty Land Tax (SDLT) relief which is being extended up to 30 September 2031. These reliefs are all subject to their own eligibility criteria.

The tax base

For NICs, SDLT, ECA, and SBA, the tax base consists of the revenue receipts within the postcodes associated with chosen Freeport tax sites.

For business rates, the tax base consists of an estimate of the total rateable value of all non-domestic properties in English Freeports.

Costing

The static tax costing is estimated by applying the pre- and post-measure tax regimes to the tax base described above.

The costing takes account of behavioural responses to the tax reliefs for ECA, SBA, employer NICs, and SDLT. The business rates relief costings do not include adjustments for behavioural effects.

Exchequer impact (£m)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Exchequer impact	+0m	+0m	*	-15m	-45m	-50m

Areas of uncertainty

The main uncertainties in this costing relate to the size of the behavioural responses.

National Insurance contributions: freeze Class 2 and 3 rates for 2024-25

Measure description

This measure, announced at Autumn Statement 2023, freezes the weekly main rate for Class 2 and Class 3 NICs at £3.45 and £17.45 respectively in 2024-25. It also freezes the special Class 2 rate for share fishermen at £4.10 per week and the special Class 2 rate for volunteer development workers at £6.15 per week in 2024-25.

The measure is effective from 6 April 2024.

The tax base

The tax base and static costing is estimated via HMRC's Personal Tax Model using the Survey of Personal Incomes base data for 2019-20, projected using the OBR's forecasts for growth in taxable income.

Costing

The static costing is estimated by applying the pre- and post-measure tax regimes to the tax base described above.

The costing accounts for a behavioural response whereby higher take home earnings from this group has a small effect on earnings / employment.

Exchequer impact (£m)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Exchequer impact	+0m	-15m	-15m	-15m	-15m	-20m

Areas of uncertainty

The main uncertainties in this costing relate to the size of the tax base and the behavioural response.

Carbon Border Adjustment Mechanism: introduce from 1 January 2027

Measure description

This measure applies a charge to UK imports of relevant products to reflect the carbon embodied in those imports. This charge is comparable to the UK's effective carbon price, a combination of the UK Emissions Trading Scheme (ETS) and the Carbon Price Support (CPS), taking into account the allocation of free allowances under the UK ETS. The charge will also be adjusted to account for any effective carbon price which will be liable on those goods prior to entering the UK.

This measure will be effective from 1 January 2027.

The tax base

The tax base for this measure is the carbon (and carbon equivalent) content of relevant UK's imports. These are aluminium, hydrogen, cement, fertiliser, ceramics, glass and iron and steel. It is estimated using a combination of HMRC administrative data and external data.

The tax base is projected over the period using the OBR's forecasts for real non-oil imports and assumptions around the trend in the carbon intensity of imports. The carbon price is estimated using the market futures curve, consistent with the OBR's UK ETS and CPS forecast. The UK carbon price is then adjusted to account for free allowances, using the legislated industry cap. No judgement is made on future free allowance policy which is for the UK ETS Authority to determine.

Costing

The static costing is estimated by applying the pre- and post-measure tax regimes to the tax base described above.

The costing accounts for a behavioural response whereby some traders substitute away from importing the affected products in light of the charge applied. It also accounts for traders who may not report their emissions and use default values for emissions for calculating their tax liability. We also assume some non-compliance behaviour.

This costing also accounts for some additional departmental spending provided to support the delivery of this measure.

Exchequer impact (£m)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Exchequer impact	+0m	*	-10m	+25m	+155m	+195m

Areas of uncertainty

The main uncertainties in this costing relate to the size of the tax base, volatility in the ETS price and the behavioural responses.

Student finance: impact of Ukraine Permission Extension Scheme from March 2025

Measure description

This measure expands eligibility for Higher Education student support, home fee status, capped tuition fees, and Advanced Learner Loans to persons with limited leave under the Ukraine Permission Extension Scheme (UPES). As UPES is a new category of leave offered to Ukrainians on a similar basis as the existing schemes, regulations are being amended to include this scheme.

This measure will be effective from March 2025.

The cost base

The cost base represents the estimated cost of the current student finance system, assuming no policy change. It is derived from the Department for Education's student loan models.

Costing

The costing is estimated by calculating the expected number of additional undergraduate, postgraduate and Advanced Learner Loan borrowers as a result of the policy and the additional cost of these borrowers. This uses outputs from DfE's Higher Education student loan outlay and repayment model, which is regularly used to inform the OBR forecast.

Exchequer impact (£m)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Exchequer impact	+0m	+0m	*	-5m	-10m	-10m

Areas of uncertainty

There is uncertainty in the number of future Ukrainian arrivals and their take-up of student loan support.

Annex A

Indexation in the public finance forecast baseline

The following table shows the indexation assumptions that have been included in the public finances forecast baseline, including all pre-announcements, for Spring Budget 2024 policy costings. This does not include the changes made at Spring Budget 2024.

Forecast area	Element	Default indexation assumed in the baseline	Previously announced policy changes from 2023-24 onwards
Income Tax	Personal Allowance	Increase by CPI, rounded up to the nearest £10	Maintained at its 2021-22 level up to and including 2027-28.
	Basic Rate Limit	Increase by CPI, rounded to the nearest £100	Maintained at its 2021-22 level up to and including 2027-28.
	Dividend Allowance	Fixed at £1,000	Reduced to £500 from 2024-25 onwards.
	Starting rate limit for savings income	Increase by CPI, rounded up to the nearest £10	
	Pensions Tax Relief – Lifetime Allowance	Fixed at £1.073m in 2023-24, although LTA charge set at 0%. Maximum tax-free cash lump-sum frozen at £268,275	The lifetime allowance will be abolished from 6 April 2024, and the maximum lump sum will remain frozen.
	Individual Savings Accounts – annual subscription limit	Increase by CPI, rounded to the nearest £120	Autumn Statement 23 confirmed that the Individual Savings Account limits will remain at their 2023-24 levels for 2024-25.
	Marriage Allowance	Fixed at 10% of the Personal Allowance	Maintained at its 2021-22 level up to and including 2027-28.
	Married Couple’s Allowance	Increase by CPI, rounded to nearest £10	

	Blind Person's Allowance	Increase by CPI, rounded to nearest £10	
National Insurance contributions	Lower Earnings Limit	Increase by CPI rounded down to the nearest £1	Maintained at its 2022-23 level for 2024-25.
	Small Profits Threshold	Increase by CPI rounded up to the nearest £10	Maintained at its 2022-23 level for 2024-25.
	Primary Threshold	Increase by CPI rounded to the nearest £1	Aligned with the Personal Allowance and maintained at its 2021-22 level up to and including 2027-28.
	Lower Profits Limit	Set at the same level as the annual equivalent of the NICs Primary Threshold	Aligned with the Personal Allowance and maintained at its 2021-22 level up to and including 2027-28.
	Lower Profits Threshold	Aligned with the Lower Profits Limit	Abolished from 6 th April 2024.
	Secondary Threshold	Increase by CPI rounded to the nearest £1	Maintained at its 2022-23 level up to and including 2027-28.
	Upper Earnings Limit / Upper Profits Limit / Upper Secondary Threshold / Apprentice Upper Secondary Threshold / Veterans' Upper Secondary Threshold	Aligned with Income Tax Higher Rate Threshold	Aligned with the Higher Rate Threshold and maintained at its 2021-22 level up to and including 2027-28.
	Class and Class 3 Contribution rates	Class 2 and Class 3 weekly rates increase by CPI rounded to the nearest 5p	Maintained at 2023-24 rates for 2024-25.
	Special Class 2 rate for share fisherman	Equal to the Class 2 weekly rate + 65p	Maintained at 2023-24 rates for 2024-25.
Special Class 2 rate for volunteer development workers	5% of the Lower Earnings Limit	Maintained at 2023-24 rates for 2024-25.	
Capital Gains tax	Main annual exempt amount	Fixed at £6,000	Reduced to £3,000 from 2024-25 onwards.
	Annual exempt amount for trustees	Fixed at £3,000	Reduced to £1,500 from 2024-25 onwards.

Inheritance tax	Nil-rate band	Increase by CPI, rounded up to the nearest £1,000	The nil-rate band will remain at its 2020-21 level up to and including 2027-28.
	Residence nil-rate band	Increase by CPI, rounded up to the nearest £1,000	The residence nil-rate band will remain at its 2020-21 level up to and including 2027-28.
	Residence nil-rate band – threshold for tapered withdrawal	Increase by CPI, rounded up to the nearest £1,000	The threshold for tapered withdrawal of the residence nil-rate band will remain at its 2020-21 level up to and including 2027-28.
Working-age social security benefits and payments: Jobseeker’s Allowance; Income Support; Employment and Support Allowance	All main rates	Increase by CPI, rounded to nearest 5p	
Universal Credit	Standard Allowance	Increase by CPI, rounded to the nearest 1p	
	First child element	Child element of Child Tax Credit (CTC) plus family element, rounded to the nearest 1p	
	Subsequent child element	Child element of CTC, rounded to the nearest 1p	
	Disabled child lower rate	Increase by CPI, rounded to the nearest 1p	
	Disabled child higher rate	Disabled child element of CTC plus enhanced disabled child element of CTC, rounded to the nearest 1p	
	Limited capability for work, limited capability for work	Increase by CPI, rounded to the nearest 1p	

	and work-related activity, carer amount		
	Childcare	Based on childcare element of Working Tax Credit, rounded to the nearest 1p	
	Non-dependents housing cost contribution	Increase by CPI, rounded to the nearest 1p	
	Work Allowances	Increase by CPI, rounded to the nearest £1	
Disability Benefits: Disability Living Allowance; Attendance Allowance; Carer's Allowance; Incapacity Benefit; and ESA work related activity and support component rates; Personal Independence Payments	All main rates	Increase by CPI, rounded to the nearest 5p	
Statutory payments: Statutory Maternity Pay; Adoption Pay; Paternity Pay; Parental Bereavement Pay; Shared Parental Pay; Sick Pay; Maternity Allowance	All main rates	Increase by CPI, rounded to the nearest 5p for Statutory Sick Pay; nearest figure divisible by 7 for all other statutory payments	
Basic State Pension	All categories	Highest of May-July Average Weekly Earnings,	

		CPI or 2.5% rounded to the nearest 5p	
Additional State Pension	All categories	Increase by CPI, rounded to the nearest 1p	
New State Pension	All categories	Highest of May-July Average Weekly Earnings, CPI or 2.5%, rounded to the nearest 5p	
Pension Credit	Standard Minimum Guarantee	Earnings growth, rounded to the nearest 5p	Uprated by September's CPI, rounded to the nearest 5p, in 2023-24 only.
	Savings Credit	Increase by CPI, rounded to the nearest 1p	
Child Tax Credit	Child element	Increases by CPI, rounded up to the nearest £5	
	Disability element: disabled child rate and severely disabled child rate	Increase by CPI, rounded up to the nearest £5	
Working Tax Credit	Basic element, 30-hour element, couple and lone parent element	Increase by CPI, rounded up to the nearest £5	
	Disabled worker element and severe disability element	Increase by CPI, rounded up to the nearest £5	
Child Benefit	Eldest (or only) child and subsequent children amounts	Increase by CPI, rounded to the nearest 5p	
Guardian's Allowance	All children amount	Increase by CPI, rounded to the nearest 5p	
Stamp duties	Stamp duty land tax thresholds for residential property freehold and leasehold premium transactions	Fixed at £125,000, £250,000, £925,000 and £1,500,000	The nil-rate threshold of SDLT has temporarily increased from £125,000 to £250,000 from 23 September 2022 to 31 March 2025.

			The nil-rate threshold of SDLT for first time buyers has temporarily increased from £300,000 to £425,000 and the relief qualification threshold has increased from £500,000 to £625,000 from 23 September 2022 to 31 March 2025.
	Stamp duty land tax thresholds on rent under new residential leases Net Present Value	Fixed at £125,000	The nil-rate threshold of SDLT has temporarily increased from £125,000 to £250,000 from 23 September 2022 to 31 March 2025.
Annual tax on enveloped dwellings	Annual chargeable amount	Increase by CPI, rounded down to the nearest £50	
Climate change levy	Main Rates	Increase by RPI, rounded to the nearest 1,000th of a penny	CCL main rate in the UK for gas is set at £0.00672/kWh in 2023-2024, and £0.00775/kWh in 2024-2025 and 2025-2026. The main rate on electricity is set at £0.00775/kWh up to and including 2025-2026. The freeze of LPG at £0.02175 per kg is continued up to and including 2025-2026. Any other taxable commodity rate is set at £0.05258 per kg for 2023-24 and £0.06064 per kg for 2024-25 and 2025-2026.
	Reduced rates	Increase by RPI, rounded to the nearest 1,000th of a penny	The reduced rates for each of the commodities are set at the following:

			<ul style="list-style-type: none"> - Electricity: 8% of the main rate up to (and including) 2025-26 - LPG: 23% of the main rate up to (and including) 2025-26 - Natural gas and any other taxable commodity: 12% in 2023-24 and 11% in 2024-25 and 2025-2026.
	Carbon Price Support commodity rates	Increase by RPI, rounded to the nearest 1,000th of a penny	The Carbon Price Support has been frozen at the equivalent of £18 per tonne of CO2 up to (and including) 2025-26.
Aggregates levy	Levy amount	Increase by RPI, rounded to the nearest penny	
Landfill tax	Tax rates	Increase by RPI, rounded to the nearest 5p	
Plastic packaging tax	Tax rate	Increase by CPI, rounded to the nearest penny	
Vehicle excise duty	Duty rates	Increase by RPI, rounded to the nearest £1 or £5	
Heavy goods vehicle levy	Duty rates	Increase by RPI, rounded to the nearest penny	The heavy goods vehicle levy was suspended until August 2023. Autumn Statement 2023 confirmed that the Heavy goods vehicle levy would be frozen for 12 months from 1 April 2024.
Air passenger duty	Duty rates	Increase by RPI, rounded to the nearest £1	Autumn Budget 2021 announced the following reforms from 2023-24: a new domestic band for air passenger duty covering

			flights within the UK with the 2023-24 rate for economy passengers set at £6.50; and a new ultra-long-haul band covering destinations with capitals located more than 5,500 miles from London with the 2023-24 rate for economy passengers set at £91.
Tobacco duties	Duty rate on all tobacco products	Increase by RPI+2%, rounded to the nearest penny	Autumn Statement 2023 announced a duty increase of RPI+2% on all products except hand rolling tobacco, of RPI+12% on hand rolling tobacco.
Alcohol duties	Duty rate on all alcoholic products	Increase by RPI, rounded to the nearest penny	<p>A new alcohol duty system that taxes all alcoholic products by strength was introduced on 1 August 2023. The new system includes new reliefs for small producers and draught products with a strength below 8.5% alcohol by volume. Transitional arrangements were introduced for wine products until 1 February 2025. Alcohol duties were increased in line with RPI from 1 August 2023.</p> <p>Autumn Statement 2023 announced a duty freeze until August 2024, with the next alcohol duty uprating decision delayed until Spring Budget 2024.</p>

Fuel duties	Duty rates for petrol and diesel	Increase by RPI, rounded to the nearest 100th of a penny	The temporary 5p cut (originally announced at Spring Statement 2022) was extended at Spring Budget 2023 for a further 12 months (i.e. ending on 23 March 2024). It was also announced at this time that the planned RPI uprating for 2023-24 would not go ahead.
VAT	VAT registration threshold	Increase by RPI, rounded to the nearest £1,000	Fixed at £85,000 up to 31 March 2026.
Gaming duty	Gross gaming yield bands	Increase by RPI, rounded to the nearest £500	Autumn Statement 2023 announced that bands will be frozen for 2024-25.
Business rates	Business rates multiplier	Increase by CPI, rounded to the nearest 10th of a penny	Autumn Statement 2023 announced that the Small Business Multiplier will be frozen at 49.9p for 2024-25, whilst the Standard Multiplier will be uprated in line with CPI to 54.6p.

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