



# UK Budget

## 2024 Key Highlights

On October 30th, 2024, Chancellor Rachel Reeves announced Labour's first UK Budget since 2010.

Here's a quick summary of some of the most significant changes that may impact your finances, planning, or everyday costs:

### Minimum Wage

For ages 21+, rising by **6.7%** to **£12.21** per hour; substantial increases for younger workers also announced

### Inheritance Tax

Adjustments to thresholds, with the primary tax-free allowance **extended until 2030**

### Capital Gains Tax

Rates rise to **18%** (lower) and **24%** (higher) effective October 31st, with residential property rates unchanged

### National Insurance

Employer NI contributions to rise from **13.8%** to **15%** on salaries above £5,000, starting April 2025, expected to raise £25bn annually. Employment Allowance will increase to **£10,500**, cutting NI for small businesses

### Stamp Duty

Increased on second homes and buy-to-let properties from **3%** to **5%**, effective October 31st, 2024

### Non-Dom Tax Status

To be abolished from April 2025

## Modernising Self Assessment Payments

£16 million will be invested to update the HMRC app, allowing voluntary income tax payments in instalments.

## Mandatory Benefits Reporting

From April 2026, benefits in kind reporting via payroll software will be phased in, covering income tax and Class 1A NICs.

## Making Tax Digital (MTD)

MTD will expand to those earning over £20,000 by the end of the Parliament; further timing details to come.

## Late Payment Interest Increase

From 6 April 2025, HMRC's late payment interest rate on unpaid taxes will increase by **1.5%**.

## Cost of Living

Fuel duty freeze and 5p cut extended for another year

## Public Services Investment:

- **NHS:** £1.5bn allocated for surgical hubs.
- **Education:** Additional £2.3bn in core school funding and tripled support for breakfast clubs.
- **Employment Support:** £240m allocated for initiatives targeting economic inactivity

If you want to understand more about how it may affect your business or your 2024/25 budget, please get in touch with us.

Book your free consultation at: 



[www.btmgroupci.com/schedule](http://www.btmgroupci.com/schedule)

