



Autumn Budget 2025

Was it worth the wait..?!



A month later than usual.

Was there a black hole?

Oops – OBR publish early!

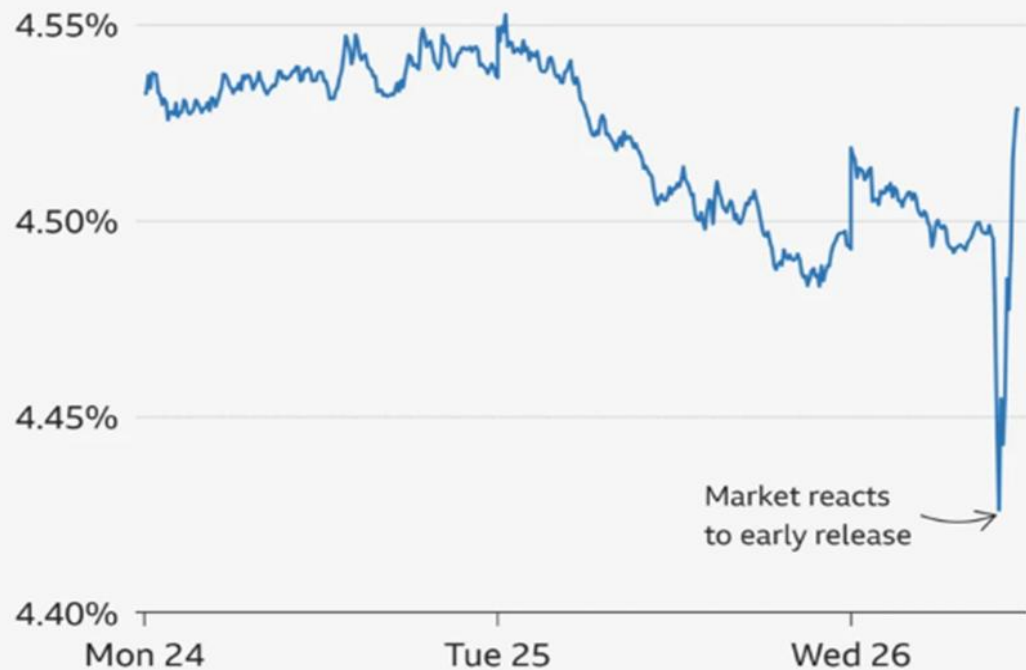
Deputy Speaker lecture on pre-budget leaks.

Market response?

Initial market response

UK government borrowing costs down then up after early Budget release

Yield on 10-year UK government bonds, 24 to 26 Nov 2025



Market reacts
to early release

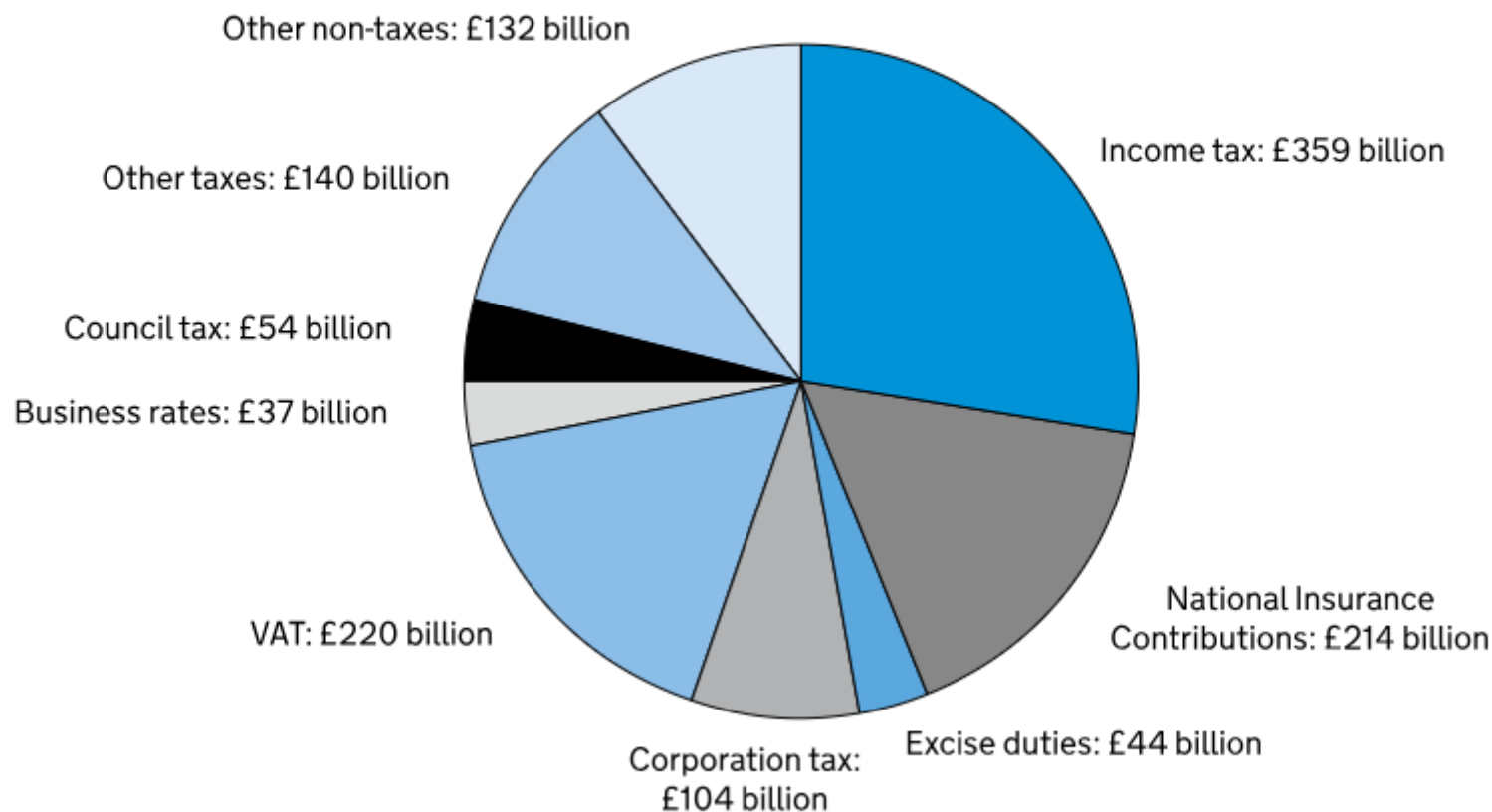
Axis does not start at zero. Data available 8am to 5pm, Monday to Friday

Source: Bloomberg. Last updated 26 Nov 2025 12:15 GMT

BBC

Where the money comes from...£1,304 bn in 26-27

9.1 Chart D.1: Public sector current receipts 2026-27



Spending soon, tax later

Direct effects of government decisions since March on tax and spending

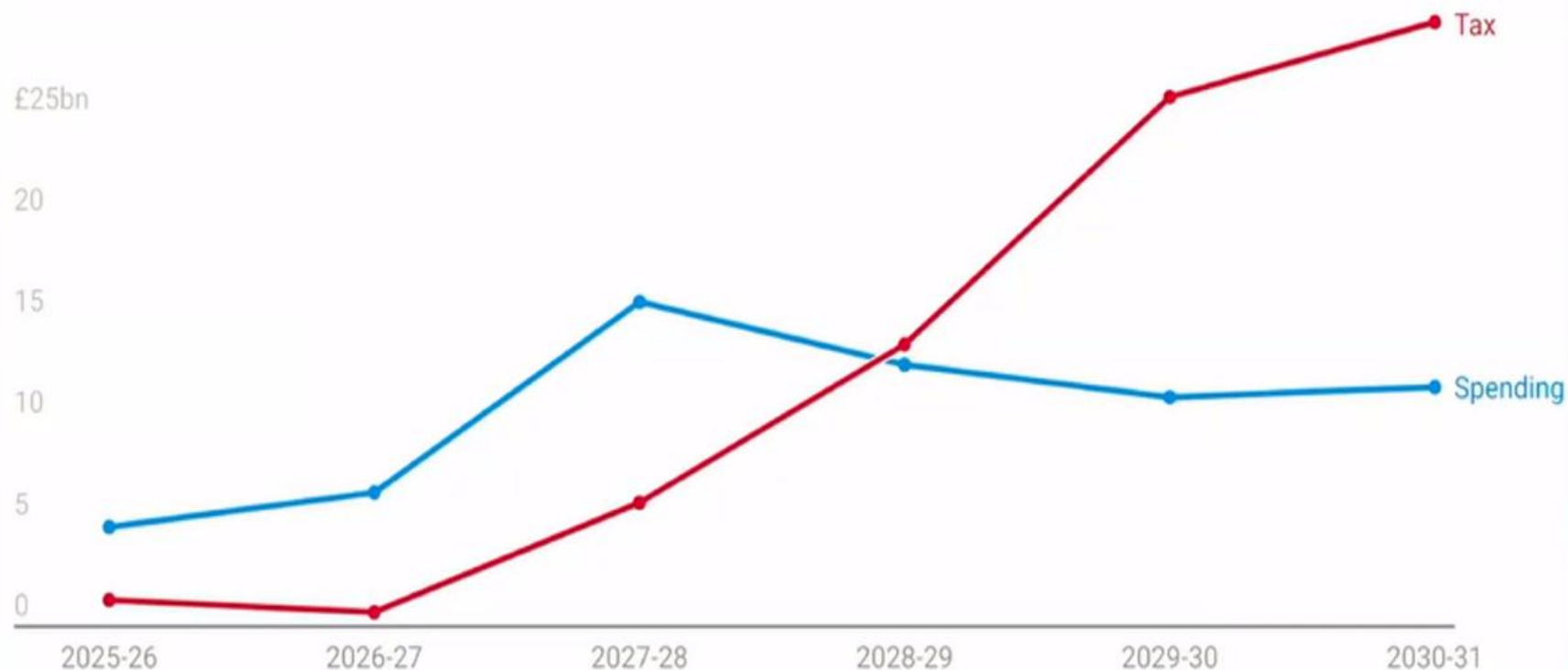


Chart: The Spectator (UmWlt) • Source: OBR EFO Nov '25 table 3.1

What is not changing



Allowances frozen to 30/31 -
previously to 27/28

Personal Allowance: £12,570

20% Basic rate

40% Tax threshold still £50,270

60% effective rate at £100,000

Top 45% rate from £125,140

HICBC threshold now £60,000,
and full repayment at £80,000

Pension reliefs and tax-free lump
sum allowances

What is not changing



Corporation tax still 19% & 25%
(and marginal rate 26.5%)

Ee's NI (8%/2%)

S/E NI (6%/2%)

Er's NI (15% from £5,000)

VAT rate still 20%

CGT rates still 18% & 24%

CGT Exemption only £3,000

IHT Nil rate band frozen to 30/31

IHT Residential NRB frozen

IHT rate still 40%

So what's left?

Dividend tax

- Currently 8.75% - 33.75% - 39.35%
- From 05.04.26: 10.75% - 35.75% - 39.35%

Tax on Interest

- Currently 20% - 40% - 45%
- From 05.04.27: 22% - 42% - 47%

Tax on Property Income

- Same increases as tax on interest
- But: Relief for interest paid will be at 22%

Unincorporated vs Ltd Company

Sole trader v company - summary

Post-tax income					Post-tax income				
1 Director					1 Director				
Profit	Sole Trader	Company			Profit	Sole Trader	Company		
		PA no EA	NI LEL	PA & EA			PA no EA	NI LEL	PA & EA
10,000	10,000	8,864	9,167	10,000	110,000	73,111	69,932	69,349	70,468
11,000	11,000	9,864	9,977	11,000	120,000	76,911	74,654	74,072	75,191
20,000	18,068	17,174	16,816	17,995	130,000	81,440	78,972	78,635	79,321
30,000	25,468	24,403	24,045	25,224	140,000	86,740	82,041	82,043	82,390
40,000	32,868	31,632	31,274	32,454	150,000	92,040	85,110	85,273	85,458
50,000	40,268	38,862	38,504	39,683	160,000	97,340	88,178	88,342	88,527
60,000	46,111	46,091	45,530	46,733	170,000	102,640	92,391	92,384	92,898
70,000	51,911	51,042	50,460	51,579	180,000	107,940	96,849	96,842	97,356
80,000	57,711	55,765	55,182	56,301	190,000	113,240	101,307	101,299	101,813
90,000	63,511	60,487	59,905	61,023	200,000	118,540	105,765	105,757	106,271
100,000	69,311	65,209	64,627	65,746	210,000	123,840	110,223	110,215	110,729
					220,000	129,140	114,680	114,673	115,187
					230,000	134,440	119,138	119,131	119,645
					240,000	139,740	123,596	123,588	124,102

National Minimum Wage



NLW: 4.1% increase from
£12.21 to £12.71

Applies to 21yrs & older
18-20 +8.5%: £10.00 to
£10.85

16-17 +6.0%: £7.55 to
£8.00

Aiming to close gap for
younger workers

Motoring taxes

Increases coming

From 06.04.26

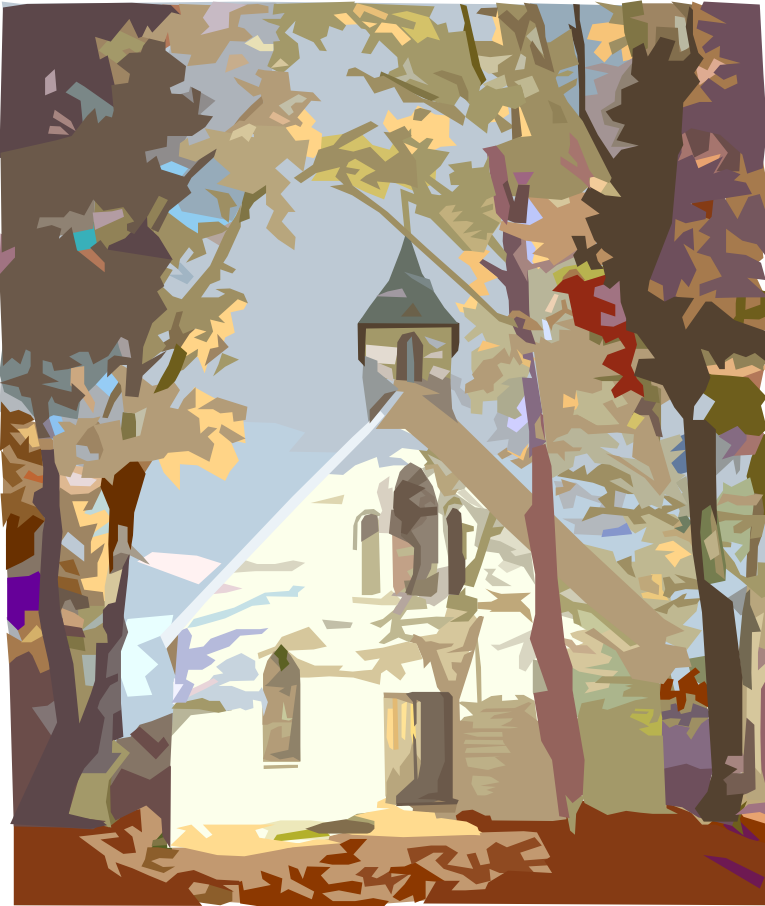
- Extra 1% BIK on all company cars
- RFL on electric cars

5p Fuel duty freeze lifted
from 01.09.26 in stages

New Electric Vehicle
Excise Duty from Apr 28 –
mileage basis.
Measurement???



Inheritance Tax



- Allowances freeze extended to 05.04.31
- From 06.04.26: 100% APR & BPR to £1m
- Thereafter 50% relief
- Unused £1m allowance now transferable to surviving spouse
- IHT on unused pension pots from 06.04.27

“Mansion” Tax



Council tax surcharges
on £2m+ properties from
06.04.28

£2,500 up to £2.5m

£3,500 up to £3.5m

£5,000 up to £5m

£7,500 over £5m

Cliff edge tax!

Lots of work for valuers!

And other measures...

Pension salary sacrifices capped at £2,000p.a. from 06.04.29

But no restriction on employer-only contributions...hopefully

ISA changes from 06.04.27:

£20k limit maintained but only £12k in cash ISAs for under 65s

Business rate reductions for hospitality/retail/leisure sectors have fallen, and will fall further





Any questions?
Thank you for listening!

David Meredith