



NEWSLETTER

Key Tax and Employment Guide for 2026-2027

- **Income Tax & NICs:** The Personal Allowance remains at £12,570 and the basic rate limit at £37,700, maintained until April 2028.
- **Employer NICs Exemptions:** No employer NICs are paid on the first £967 per week for employees under 21, apprentices under 25, and veterans in their first year.
- **Freeports/Investment Zones:** No employer NICs are paid on the first £481 per week for employees in these zones for the first 36 months.
- **Dividend Tax:** The ordinary dividend tax rate rises to 10.75%, and the upper rate increases to 35.75%.
- **National Living Wage (April 2026):** Rises to £12.71 per hour for those aged 21 and over.
- **State Pension:** Projected to rise by 4.8% to £241.30 per week.
- **Tax Freezes:** Key thresholds are frozen until at least April 2031, which may increase tax burdens due to inflation

National Minimum Wage from April 1st 2026

- Age 21+ £12.27
- Age 18-21 £10.85
- Age 16-17 £8.00
- Apprentices (Under 19) £8.00
- Apprentices 19+ in 1st year £8.00

| | |
|---|---|
|  <p>Payroll Services <i>Making Your Life Easier</i></p> |  <p>For more information or assistance call 0121 422 0550</p> |
|---|---|