



Diplomatic International Inward Investor Referral Platform



Here are links to some of our podcasts that can help inbound investors to the UK navigate the UK tax system :

- [Research and Development tax relief](#)
- [Unravelling the differences between the UK & US tax systems](#)
- [Wealth Tax & Wealth Inequality with Dr Ben Tippet](#)
- [Sanctions Spotlight Session with Alice Kemp](#)
- [A whistle-stop tour of the taxation of international sports and rock stars with Patrick Way KC](#)
- [International Women's Day special – Inspiring inclusion with Tax Titan Trio](#)
- [Changes to non-dom rules with Philip Simpson KC and Ben Symons](#)
- [Exploring ESG from a tax perspective](#)

Here is a summary of Autumn 2024 Budget implications:

There were few surprises in the Autumn Budget as the government had already made it clear that they considered businesses and wealthy 'non-doms' to have the "broadest shoulders" with which to bear the heaviest burden.

Employer National Insurance Contributions

One of the most striking features of the Autumn Budget was the rise in employer NICs by 1.2 percentage points to 15%, coupled with a reduction in the per-employee threshold from £9,100 per year to £5,000. The Chancellor hopes that this move will raise £25bn per year. Whilst the intention is for this increase to be borne solely by businesses, some commentators are predicting that this additional cost will be passed on to employees in the form of lower pay increases and reduced employment opportunities.

The 'non-dom' regime

The Chancellor confirmed that the 'non-dom' regime will be abolished and the "outdated concept" of domicile will be removed from the UK tax system entirely from April 2025. The regime will be

replaced by an internationally competitive residence-based regime. The government expects the new regime to generate an additional £12.7bn in tax over the next five years.

The government has also confirmed that:

- non-UK assets held in trusts settled before 6 April 2025, will not be exempt from inheritance tax; and
- the plan to provide a 50% tax reduction on foreign income received in tax year 2025/26, has been abandoned.

The Temporary Repatriation Facility has been extended from two to three years. This allows those non-doms who previously claimed the remittance basis to remit foreign income and gains that arose before 6 April 2025 at a reduced tax rate of 12% for the first two years, and 15% for the third year.

Inheritance Tax

The Autumn Budget extended Business Property Relief and Agricultural Property Relief so that up to £1m of assets will benefit from 100% relief from inheritance tax (**IHT**).

Another key change that affected individuals will need to consider is that personal pensions will be subject to IHT from April 2027.

The nil-rate band for IHT will be frozen (at £325,000) until 2030.

Capital Gains Tax

Investors will be impacted by increases to the rate at which Capital Gains Tax (**CGT**) is to be charged. From 30 October 2024, the lower rate of CGT will increase from 10% to 18%, and the higher rate from 20% to 24%. Those who invest in property will also be hit with an increase in the higher rate of Stamp Duty Land Tax for additional dwellings, from 2% to 5%.

The lifetime limit for Business Asset Disposal Relief (**BADR**) will remain at £1m and the rate of relief will remain at 10%. However, BADR rates will increase to 14% from 6 April 2025 and 18% from 6 April 2026.

Additional points of interest

- The tax rate on Carried Interest will increase to 32% from 6 April 2025, but it was also suggested that it would move closer to the income tax framework the following year.
- The higher rate Air Passenger Duty which applies to private jets will rise by a further 50% in 2026-27 and will increase in line with inflation from 2027 onwards.
- From 1 January 2025, private school fees will be subject to VAT at the standard rate of 20% and from April 2025 private schools will no longer be eligible for charitable rate relief.

For further help and advice please contact RPC's Head of Tax Disputes, Adam Craggs at adam.craggs@rpclegal.com