



# Budget On A Page – Private Clients October 2026

## Income Tax

- Further increase to Property and Savings Income Tax Rates – 24%/44%/49%
- ‘Gains’ from Offshore Insurance Bonds are taxed at the Savings Rate
- Pensions Tax Allowance – meaning those on the basic state pension will not pay tax. For every £3 earned over the basic state pension, the relief will be clawed back by £1
- Modernising Distributions Framework – will introduce changes in 2028, with details and legislation expected in 2027
- Self-assessment payments – instead of bi-annual payments, from April 2029 they will be smaller and more regular – but no detail

## Capital Gains Tax

- “Founders Relief” to be introduced. Intended to apply for qualifying disposals from 6 April 2027. Lifetime allowance of £10m where gains will be taxed at 10% - essentially the old Entrepreneurs’ Relief, but with stricter conditions for individuals & companies
  - Reduction in Business Asset Disposal Relief (the amended Entrepreneurs’ Relief) from £1m to £500k – now worth £30k
  - Holdover Relief for gifts of Business Assets to be extended to those who fall within the intangible fixed assets regime or qualify for SSE

## Other

- ATED charges will increase by 3.5% from April 2027
- IHT for Trusts – restricting liabilities to those properly incurred
- High Value Tax Surcharge to remain for homes worth £2m +
- Improving Property Data Reporting – consultation on requirements for letting agents to provide information on rental income – non-resident landlords will be excluded as they already have to report under the NRL scheme. The aim is to reduce the tax gap
- Reporting on company payments to shareholders not to go ahead – the burden on smaller businesses would be too great