

BENEFITS IN KIND

Car Benefit	2023/24 £	2022/23 £
Cars with cylinder capacity: Up to 1000cc	800	800
1001cc to 1200cc	1,100	1,100
1201cc to 1800cc	3,600	3,600
1801cc to 2500cc	5,000	5,000
2501cc to 3500cc	7,000	7,000
3501cc to 5000cc	10,000	10,000
Over 5000cc	12,000	12,000
Electric Car:	Nil	Nil

Fuel Benefit	2023/24 £	2022/23 £
Cars with cylinder capacity: Up to 1000cc	800	800
1001cc to 1200cc	950	950
1201cc to 1800cc	1,500	1,500
1801cc to 2500cc	1,750	1,750
2501cc to 3500cc	2,000	2,000
3501cc to 5000cc	2,250	2,250
Over 5000cc	2,500	2,500

CHARGEABLE AND EXEMPT BENEFITS

Exempt benefits - conditions and limits apply:

- Qualifying relocation expenses up to £20,000
- Approved profit sharing or savings related share option schemes
- Broadband connection, where personal computer also provided
- Car parking fees used principally for business purposes
- Christmas party expenses up to £100 per head
- Commercial vehicles such as vans or lorries
- Electric cars - does not include hybrid petrol electric cars
- Meals in a staff canteen
- Medical insurance, dental insurance and health screening for employees provided by an employer's scheme
- Mobile telephone, where contract is in the name of the employer
- Nursery or crèche facilities directly paid to a registered child minding facility, by the employer, on behalf of the employee
- The first £600 of general benefits per employee per annum
- The first £1,000 of costs towards supplying an employee with a personal computer/laptop and computer devices
- Provision of a scheme to provide benefits to employees or dependents on retirement or death
- Public transport season tickets or multi journey tickets provided by the employer
- Safety work clothing such as hard hats, high visibility jackets and safety boots
- Sports and recreational facilities at an employees place of work
- Provision of bicycle and safety equipment, for employee to travel to and from work - up to £1,200 for a pedal cycle and equipment or £1,800 for an electric bike and equipment. Detailed rules apply
- Covid-19 testing

CAPITAL ALLOWANCES

Rates 2023/24 and 2022/23	Rate %
No account taken of Government grants in calculating capital allowances. Restrictions may apply.	
Plant & Machinery	
First year allowance	100
Writing down allowance	25
Industrial Buildings & Structures	
First year allowance	100
Writing down allowance	4
Agricultural Land & Buildings	
First year allowance	100
Writing down allowance	10
Tourist Premises	
First year allowance	100
Writing down allowance	10

Phone: +44 (0) 1624 777403 (Douglas)
+44 (0) 1624 777401 (Ramsey)

Website: www.atla.im

The information contained herein is only a general guide and should not be used for determining a tax liability or planning a tax strategy. Atla Group accept no responsibility for any loss that may arise through reliance on this Tax Card. Specific advice should be sought.

Isle of Man Budget 2023 - Tax Card 2023/2024

Isle of Man Budget 2023 - Tax Card 2023/2024



ISLE OF MAN BUDGET 2023

TAX CARD 2023/2024

Income Tax Rates Individuals	Rate %	2023/24 £	Rate %	2022/23 £
Single person*	10 20	Up to 6,500 Above 6,500	10 20	Up to 6,500 Above 6,500
Married couple*	10 20	Up to 13,000 Above 13,000	10 20	Up to 13,000 Above 13,000
Non resident	20	All	20	All

*A Manx resident's tax liability may be capped at £200,000 (2022/23: £200,000) or £400,000 (2022/23: £400,000) for jointly assessed couples. Special rules apply.

Company Tax Rates	2023/24 %	2022/23 %
Banking business	10	10
Land & property income in Isle of Man*	20	20
Retail business**	10	10
Standard rate	0	0

*Land development tax holiday for qualifying commercial land developments from 16 February 2016.

**Applicable retailers with taxable profits of £500,000 or more are subject to tax at 10%. Those with taxable profits below that limit are subject to tax at 0%.

Allowances Available to qualifying individuals	2023/24 £	2022/23 £
Single person*	14,500	14,500
Jointly assessed couple*	29,000	29,000
Blind person	2,900	2,900
Single parent - additional allowance	6,400	6,400
Disabled person	2,900	2,900
Co-habiting couple's maximum addition	6,400	6,400
TT homestay allowance	2,350	2,350
Non-resident person	0	0
Age	0	0

*The personal allowance will be reduced by £1 for every £2 of income above £100,000 (£200,000 for jointly assessed couples).

A personal allowance credit of £400 (£800 per jointly assessed couples) is payable to individuals where personal income is less than £9,500 per annum (£19,000 for jointly assessed couples). Age and disability conditions apply.

PENSION CONTRIBUTION LIMITS 2023/24 & 2022/23

Maximum annual allowance: £50,000 (2022/23: £50,000)

Maximum annual allowance: £3,600 (without relevant earnings)

The tax deduction available is the lower of:

- Actual contribution subject to maximum above

- Relevant earnings for year

It is not possible to carry forward unutilised relief or carry back contributions.

Reliefs	2023/24 £	2022/23 £
Interest paid to Manx resident lenders*	5,000	5,000
Charitable donations by an individual	7,000	7,000
Charitable donations by a company	15,000	15,000
Nursing expenses limit	12,500	12,500
Private medical insurance**	1,800	1,800

The above tax reliefs are affected by way of a tax credit and are restricted to 10% of the eligible deduction.

*Tax relief is £10,000 for jointly assessed couples, regardless of which partner is responsible for paying the interest.

**Tax relief is given by way of deducting the amount of premiums paid from an individual's taxable income. To be eligible, payments must relate to a person aged 60 years or over, or a married couple or civil partners where at least one partner is aged 60 years or over. Conditions apply.

OTHER TAXES

There are no inheritance, wealth, gift, death or capital gains taxes, insurance premium tax or stamp duty charged to individuals or companies in the Isle of Man.

VALUE ADDED TAX

Standard rate 20%.

Other rates currently in force in the IOM are 0% & 5%.

Registration threshold from 1 April 2017 is £85,000 (no change).

REDUNDANCY AND TERMINATION

Redundancy payments of up to £30,000 are exempt from income tax and NIC, where the employee has no contractual right to the payment. Conditions apply.

NATIONAL INSURANCE CONTRIBUTIONS

Class 1: not contracted out rates	Employee %	Employer %
2023/24		
Earnings bracket (weekly)		
Up to £145.00	Nil	Nil
£145.01 to £864.00	11%	12.8%
Over £864.00	1%	12.8%
2022/23		
Earnings bracket (weekly)		
Up to £138.00	Nil	Nil
£138.01 to £823.00	11%	12.8%
Over £823.00	1%	12.8%

Classes 2, 3 and 4	2023/24 £	2022/23 £
Class 2 (self-employed flat rate)		
Per week	5.70	5.40
Small earnings exception (annual)	7,540	7,176
Class 3 (voluntary)		
Per week	17.45	15.85
Class 4 (self-employed)		
Profits bracket (weekly)		
£145.01 to £864.00	8%	8%
Over £864.00	1%	1%
Lower profits limit (per year)	7,540	7,176
Upper profits limit (per year)	44,928	42,796

National Insurance holiday scheme applies for certain situations. Conditions apply.