

## 2.5 Income tax liabilities, by Income Range

| 2006-07                                |                             |        |                             |        |                          |        |                           |        |               |                      |                     |                           |                     |                       |
|--|-----------------------------|--------|-----------------------------|--------|--------------------------|--------|---------------------------|--------|---------------|----------------------|---------------------|---------------------------|---------------------|-----------------------|
| Numbers: thousands; Amounts: £ million |                             |        |                             |        |                          |        |                           |        |               |                      |                     |                           |                     |                       |
| Range of total income (lower limit)    | Starting rate (2) taxpayers |        | "Savers" rate (3) taxpayers |        | Basic rate (4) taxpayers |        | Higher rate (5) taxpayers |        | All taxpayers | Liability before Tax | Liability after Tax | Total income of taxpayers | Average rate of tax | Average amount of Tax |
|  | £                           | Number | Amount                      | Number | Amount                   | Number | Amount                    | Number | Amount        | Number               | Amount              | Amount                    | Amount              | %                     |
| 5,035                                  | 2,330                       | 249    | 125                         | 25     | 191                      | 48     | ..                        | ..     | 2,640         | 322                  | 322                 | 16,800                    | 1.9                 | 122                   |
| 7,500                                  | 862                         | 103    | 302                         | 101    | 2,470                    | 1,300  | ..                        | ..     | 3,630         | 1,510                | 1,510               | 31,800                    | 4.7                 | 414                   |
| 10,000                                 | 24                          | 10     | 364                         | 252    | 6,210                    | 7,630  | ..                        | ..     | 6,600         | 7,890                | 7,710               | 82,000                    | 9.4                 | 1,170                 |
| 15,000                                 | 2                           | -      | 120                         | 172    | 5,150                    | 11,800 | ..                        | ..     | 5,270         | 12,000               | 11,900              | 91,600                    | 13.0                | 2,260                 |
| 20,000                                 | ..                          | ..     | 132                         | 293    | 6,390                    | 24,400 | ..                        | ..     | 6,530         | 24,700               | 24,600              | 160,000                   | 15.4                | 3,760                 |
| 30,000                                 | ..                          | ..     | 109                         | 346    | 3,260                    | 18,900 | 1,530                     | 12,900 | 4,900         | 32,100               | 32,000              | 184,000                   | 17.4                | 6,540                 |
| 50,000                                 | ..                          | ..     | 2                           | 5      | 9                        | 46     | 1,660                     | 27,400 | 1,670         | 27,400               | 27,400              | 110,000                   | 24.9                | 16,400                |
| 100,000                                | ..                          | ..     | -                           | 1      | 1                        | 7      | 291                       | 10,600 | 293           | 10,600               | 10,600              | 35,400                    | 29.9                | 36,100                |
| 150,000                                | ..                          | ..     | ..                          | ..     | ..                       | ..     | 112                       | 6,130  | 113           | 6,130                | 6,120               | 19,300                    | 31.7                | 54,300                |
| 200,000                                | ..                          | ..     | ..                          | ..     | ..                       | 2      | 132                       | 12,800 | 133           | 12,800               | 12,800              | 38,300                    | 33.4                | 96,200                |
| 500,000                                | ..                          | ..     | ..                          | ..     | ..                       | ..     | 26                        | 6,030  | 26            | 6,030                | 6,000               | 17,400                    | 34.5                | 234,000               |
| 1,000,000                              | ..                          | ..     | ..                          | ..     | ..                       | ..     | 11                        | 8,610  | 11            | 8,610                | 8,580               | 24,000                    | 35.7                | 776,000               |
| All Ranges                             | 3,220                       | 363    | 1,160                       | 1,200  | 23,700                   | 64,100 | 3,770                     | 84,500 | 31,800        | 150,000              | 150,000             | 810,000                   | 18.5                | 4,700                 |

  

| 2007-08 (1)                            |                             |        |                             |        |                          |        |                           |        |               |                      |                     |                           |                     |                       |
|--|-----------------------------|--------|-----------------------------|--------|--------------------------|--------|---------------------------|--------|---------------|----------------------|---------------------|---------------------------|---------------------|-----------------------|
| Numbers: thousands; Amounts: £ million |                             |        |                             |        |                          |        |                           |        |               |                      |                     |                           |                     |                       |
| Range of total income (lower limit)    | Starting rate (2) taxpayers |        | "Savers" rate (3) taxpayers |        | Basic rate (4) taxpayers |        | Higher rate (5) taxpayers |        | All taxpayers | Liability before Tax | Liability after Tax | Total income of taxpayers | Average rate of tax | Average amount of Tax |
|  | £                           | Number | Amount                      | Number | Amount                   | Number | Amount                    | Number | Amount        | Number               | Amount              | Amount                    | Amount              | %                     |
| 5,225                                  | 2,220                       | 246    | 50                          | 8      | 13                       | 3      | ..                        | ..     | 2,280         | 257                  | 257                 | 14,600                    | 1.8                 | 113                   |
| 7,500                                  | 957                         | 119    | 367                         | 119    | 2,150                    | 1,070  | ..                        | ..     | 3,480         | 1,310                | 1,310               | 30,500                    | 4.3                 | 377                   |
| 10,000                                 | 26                          | 11     | 495                         | 343    | 6,050                    | 7,080  | ..                        | ..     | 6,570         | 7,440                | 7,290               | 81,700                    | 8.9                 | 1,110                 |
| 15,000                                 | 2                           | -      | 152                         | 222    | 5,120                    | 11,500 | ..                        | ..     | 5,270         | 11,700               | 11,600              | 91,700                    | 12.6                | 2,200                 |
| 20,000                                 | ..                          | ..     | 167                         | 395    | 6,620                    | 24,800 | ..                        | ..     | 6,790         | 25,200               | 25,100              | 166,000                   | 15.1                | 3,700                 |
| 30,000                                 | ..                          | ..     | 135                         | 458    | 3,860                    | 22,600 | 1,390                     | 11,800 | 5,390         | 34,900               | 34,800              | 203,000                   | 17.2                | 6,470                 |
| 50,000                                 | ..                          | ..     | 2                           | 6      | 9                        | 50     | 1,870                     | 30,300 | 1,880         | 30,300               | 30,300              | 124,000                   | 24.5                | 16,100                |
| 100,000                                | ..                          | ..     | 1                           | 1      | ..                       | 6      | 323                       | 11,600 | 324           | 11,700               | 11,600              | 39,100                    | 29.8                | 35,900                |
| 150,000                                | ..                          | ..     | ..                          | ..     | ..                       | ..     | 126                       | 6,840  | 126           | 6,840                | 6,830               | 21,600                    | 31.6                | 54,100                |
| 200,000                                | ..                          | ..     | ..                          | ..     | ..                       | 2      | 147                       | 14,200 | 147           | 14,200               | 14,200              | 42,400                    | 33.4                | 96,100                |
| 500,000                                | ..                          | ..     | ..                          | ..     | ..                       | ..     | 28                        | 6,670  | 28            | 6,670                | 6,640               | 19,200                    | 34.6                | 235,000               |
| 1,000,000                              | ..                          | ..     | ..                          | ..     | ..                       | ..     | 12                        | 9,630  | 12            | 9,630                | 9,600               | 27,100                    | 35.5                | 776,000               |
| All Ranges                             | 3,210                       | 376    | 1,370                       | 1,550  | 23,800                   | 67,200 | 3,890                     | 91,000 | 32,300        | 160,000              | 160,000             | 860,000                   | 18.5                | 4,940                 |

  

| 2008-09 (1)                            |                             |        |                             |        |                          |        |                           |        |               |                      |                     |                           |                     |                       |
|--|-----------------------------|--------|-----------------------------|--------|--------------------------|--------|---------------------------|--------|---------------|----------------------|---------------------|---------------------------|---------------------|-----------------------|
| Numbers: thousands; Amounts: £ million |                             |        |                             |        |                          |        |                           |        |               |                      |                     |                           |                     |                       |
| Range of total income (lower limit)    | Starting rate (2) taxpayers |        | "Savers" rate (3) taxpayers |        | Basic rate (4) taxpayers |        | Higher rate (5) taxpayers |        | All taxpayers | Liability before Tax | Liability after Tax | Total income of taxpayers | Average rate of tax | Average amount of Tax |
|  | £                           | Number | Amount                      | Number | Amount                   | Number | Amount                    | Number | Amount        | Number               | Amount              | Amount                    | Amount              | %                     |
| 6,035                                  | 157                         | 6      | 36                          | 2      | 1,280                    | 180    | ..                        | ..     | 1,470         | 188                  | 188                 | 10,000                    | 1.9                 | 128                   |
| 7,500                                  | 115                         | 8      | 270                         | 111    | 2,560                    | 1,170  | ..                        | ..     | 2,950         | 1,290                | 1,290               | 26,000                    | 5.0                 | 438                   |
| 10,000                                 | 52                          | 9      | 468                         | 319    | 6,000                    | 6,650  | ..                        | ..     | 6,520         | 6,980                | 6,880               | 81,100                    | 8.5                 | 1,050                 |
| 15,000                                 | ..                          | ..     | 178                         | 227    | 5,090                    | 10,700 | ..                        | ..     | 5,270         | 10,900               | 10,800              | 91,700                    | 11.8                | 2,050                 |
| 20,000                                 | ..                          | ..     | 204                         | 423    | 6,670                    | 23,200 | ..                        | ..     | 6,870         | 23,700               | 23,600              | 168,000                   | 14.0                | 3,430                 |
| 30,000                                 | ..                          | ..     | 87                          | 265    | 4,150                    | 22,800 | 1,140                     | 9,160  | 5,370         | 32,200               | 32,200              | 202,000                   | 16.0                | 6,000                 |
| 50,000                                 | ..                          | ..     | 2                           | 7      | 12                       | 61     | 1,820                     | 28,300 | 1,830         | 28,300               | 28,300              | 120,000                   | 23.5                | 15,500                |
| 100,000                                | ..                          | ..     | -                           | 1      | 2                        | 7      | 310                       | 11,000 | 312           | 11,000               | 11,000              | 37,600                    | 29.3                | 35,300                |
| 150,000                                | ..                          | ..     | ..                          | ..     | ..                       | 2      | 121                       | 6,540  | 122           | 6,540                | 6,530               | 20,900                    | 31.2                | 53,500                |
| 200,000                                | ..                          | ..     | ..                          | ..     | 1                        | 2      | 139                       | 13,400 | 140           | 13,400               | 13,400              | 40,200                    | 33.3                | 95,700                |
| 500,000                                | ..                          | ..     | ..                          | ..     | ..                       | ..     | 27                        | 6,420  | 27            | 6,420                | 6,400               | 18,500                    | 34.5                | 234,000               |
| 1,000,000                              | ..                          | ..     | ..                          | ..     | ..                       | ..     | 12                        | 9,100  | 12            | 9,100                | 9,070               | 25,400                    | 35.7                | 777,000               |
| All Ranges                             | 324                         | 23     | 1,250                       | 1,360  | 25,800                   | 64,900 | 3,560                     | 83,900 | 30,900        | 150,000              | 150,000             | 842,000                   | 17.8                | 4,840                 |

**2009-10 (1)**

Numbers: thousands; Amounts: £ million

| Range of total income (lower limit) | Starting rate (2) taxpayers |        | "Savers" rate (3) taxpayers |        | Basic rate (4) taxpayers |        | Higher rate (5) taxpayers |        | All taxpayers | Liability before Tax | Liability after Tax | Total income of taxpayers | Average rate of tax | Average amount of Tax |
|-------------------------------------|-----------------------------|--------|-----------------------------|--------|--------------------------|--------|---------------------------|--------|---------------|----------------------|---------------------|---------------------------|---------------------|-----------------------|
|                                     | Number                      | Amount | Number                      | Amount | Number                   | Amount | Number                    | Amount |               | Reductions (6)       | Reductions (6)      |                           |                     |                       |
| 6,475                               | 54                          | 1      | 33                          | 1      | 902                      | 89     | ..                        | ..     | 990           | 92                   | 92                  | 6,930                     | 1.3                 | 93                    |
| 7,500                               | 40                          | 2      | 134                         | 46     | 2,480                    | 980    | ..                        | ..     | 2,650         | 1,030                | 1,030               | 23,400                    | 4.4                 | 387                   |
| 10,000                              | 17                          | 2      | 317                         | 194    | 5,960                    | 5,970  | ..                        | ..     | 6,290         | 6,160                | 6,090               | 78,200                    | 7.8                 | 967                   |
| 15,000                              | ..                          | -      | 152                         | 162    | 4,910                    | 9,850  | ..                        | ..     | 5,060         | 10,000               | 9,900               | 88,000                    | 11.3                | 1,960                 |
| 20,000                              | ..                          | -      | 187                         | 343    | 6,500                    | 22,000 | ..                        | ..     | 6,680         | 22,300               | 22,200              | 163,000                   | 13.6                | 3,320                 |
| 30,000                              | ..                          | -      | 79                          | 215    | 4,640                    | 26,100 | 547                       | 4,410  | 5,270         | 30,700               | 30,700              | 198,000                   | 15.5                | 5,820                 |
| 50,000                              | ..                          | -      | 2                           | 5      | 20                       | 115    | 1,780                     | 26,400 | 1,800         | 26,600               | 26,500              | 119,000                   | 22.4                | 14,700                |
| 100,000                             | ..                          | -      | -                           | 1      | 2                        | 9      | 301                       | 10,500 | 304           | 10,500               | 10,500              | 36,600                    | 28.6                | 34,500                |
| 150,000                             | ..                          | ..     | ..                          | -      | 1                        | 4      | 116                       | 6,190  | 117           | 6,200                | 6,190               | 20,100                    | 30.8                | 52,800                |
| 200,000                             | ..                          | -      | ..                          | -      | 1                        | 3      | 133                       | 12,700 | 134           | 12,800               | 12,700              | 38,500                    | 33.0                | 94,900                |
| 500,000                             | ..                          | -      | ..                          | -      | ..                       | 1      | 26                        | 6,080  | 26            | 6,080                | 6,060               | 17,600                    | 34.5                | 234,000               |
| 1,000,000                           | ..                          | -      | ..                          | -      | ..                       | -      | 11                        | 8,700  | 11            | 8,700                | 8,680               | 24,100                    | 36.0                | 781,000               |
| All Ranges                          | 112                         | 5      | 903                         | 969    | 25,400                   | 65,100 | 2,910                     | 75,100 | 29,300        | 141,000              | 141,000             | 814,000                   | 17.3                | 4,790                 |

Source: Survey of Personal Incomes

Tables updated July 2009

**Key**

- .. not applicable
- .. not available or sample size too small to produce a reliable estimate
- negligible

- (1) Projected estimates based upon the 2006-07 Survey of Personal Incomes, in line with April 2009 Budget Report.
- (2) Taxpayers with a marginal rate at the 10% starting rate from an extra £1 of earnings. For 2008-09 onwards, there is no starting rate for earnings.
- (3) Taxpayers with a marginal rate at the 20% lower rate for savings income or the 10% ordinary dividend rate from an extra £1 of earnings.
- (4) Taxpayers with a marginal rate at the 22% basic rate from an extra £1 of earnings. For 2008-09 onwards, taxpayers with a marginal rate at the 20% basic rate from an extra £1 of earnings.
- (5) Taxpayers with taxable income above the higher rate threshold.
- (6) In this context tax reductions refer to allowances given at a fixed rate, for example the Married Couples Allowance.

**Notes on the tables**

- a. Income tax projections for the years 2007-08, 2008-09 and 2009-10 are based on the Survey of Personal Incomes (SPI), 2006-07.
- b. In 2006-07 all taxpayers are liable on taxable income other than savings and dividend income at the starting rate of 10 per cent on the first £2,150, at the basic rate of 22 per cent on the next £31,150 and 40 per cent over £33,300. (Taxable Income is defined as gross income for income tax purposes less allowances and reliefs available at the marginal rate.) Dividend income is charged at 10 per cent up to the basic rate limit of £33,300 and 32.5 per cent above. Savings income is charged at 10 per cent up to the starting rate limit, at 20 per cent between the starting and basic rate limits and 40 per cent above. The table above shows the total income tax liability for starting, basic and higher rate taxpayers for each income range.
- c. In 2007-08 all taxpayers are liable on taxable income other than savings and dividend income at the starting rate of 10 per cent on the first £2,230, at the basic rate of 22 per cent on the next £32,370 and 40 per cent over £34,600. (Taxable Income is defined as gross income for income tax purposes less allowances and reliefs available at the marginal rate.) Dividend income is charged at 10 per cent up to the basic rate limit of £34,600 and 32.5 per cent above. Savings income is charged at 10 per cent up to the starting rate limit, at 20 per cent between the starting and basic rate limits and 40 per cent above. The table above shows the total income tax liability for starting, basic and higher rate taxpayers for each income range.
- d. In 2008-09 all taxpayers are liable on taxable income other than savings and dividend income at the basic rate of 20 per cent on the first £34,800 and 40 per cent over £34,800. (Taxable Income is defined as gross income for income tax purposes less allowances and reliefs available at the marginal rate.) Dividend income is charged at 10 per cent up to the basic rate limit of £34,800 and 32.5 per cent above. Savings income is charged at 10 per cent up to the starting rate limit on the first £2,320, at 20 per cent between the starting and basic rate limits and 40 per cent above. The table above shows the total income tax liability for starting, basic and higher rate taxpayers for each income range.
- e. In 2009-10 all tax payers are liable on taxable income other than savings and dividend income at the basic rate of 20 per cent on the first £37,400 and 40 per cent over £37,400. (Taxable Income is defined as gross income for income tax purposes less allowances and reliefs available at the marginal rate.) Dividend income is charged at 10 per cent up to the basic rate limit of £37,400 and 32.5 per cent above £37,400. Savings income is charged at 10 per cent up to the starting rate limit on the first £2,440, at 20 per cent between the starting and basic rate limits (£37,400) and 40 per cent above £37,400.

