

# Isle of Man Tax Card - 2024/25

## Income Tax

Individuals	Rate %	2024/25 £	Rate %	2023/24 £
Single person <sup>2</sup>	10	Up to 6,500	10	Up to 6,500
	22 <sup>1</sup>	Above 6,500	20	Above 6,500
Married couple <sup>2</sup>	10	Up to 13,000	10	Up to 13,000
	22 <sup>1</sup>	Above 13,000	20	Above 13,000
Non-resident	22 <sup>1</sup>	All	20	All

<sup>1</sup> The higher rate of income tax increased from 20% to 22% with effect from 6 April 2024. The Isle of Man Government has described this increase as a temporary measure until a new 'Health Levy' is introduced.

<sup>2</sup> A Manx resident may enter into an irrevocable five or ten-year election to have their annual tax liability capped. For elections commencing from 6 April 2024, the maximum liability for an individual is £200,000 and £400,000 for jointly assessed couples.

Companies	2024/25 Rate %	2023/24 Rate %
Banking business <sup>2</sup>	15/10/0	10/0
Manx source land & property income	20	20
Retail business <sup>1,2</sup>	15/10	10
Petroleum extraction <sup>3</sup>	20	0

<sup>1</sup> Applicable to retailers with annual taxable profits of £500,000 or more.

<sup>2</sup> A temporary tax rate increase from 10% to 15% has been introduced in respect of the 2024/25 tax year only and will apply to certain banking businesses and large retailers.

<sup>3</sup> With effect from 6 April 2024, income from petroleum extraction activities will be subject to tax at 20%. The scope of this new tax will include the extraction of natural gas and sums received in relation to the disposal of petroleum extraction rights or interests deriving from such rights.

Allowances	2024/25 £	2023/24 £
Single person <sup>1</sup>	14,500	14,500
Married couple <sup>1</sup>	29,000	29,000
Blind person <sup>2</sup>	2,900	2,900
Single parent additional allowance <sup>2</sup>	6,400	6,400
Disabled allowance <sup>2</sup>	2,900	2,900
Co-habiting couple's maximum addition	6,400	6,400
Non-resident person	0	0

<sup>1</sup> Individuals with total income in excess of £100,000 per tax year (£200,000 for a jointly assessed couple), will have their personal allowance reduced by £1 for every £2 their total income exceeds this threshold.

<sup>2</sup> Available to qualifying residents.

Reliefs	2024/25 £	2023/24 £
Interest paid to Manx resident lenders <sup>1</sup>	5,000	5,000
Charitable donations by an individual	7,000	7,000
Nursing expenses <sup>2</sup>	12,500	12,500
Private medical insurance <sup>1</sup>	1,800	1,800

Tax reliefs (as they apply to an individual) are affected by way of a tax credit and are restricted to 10% of the eligible deduction.

<sup>1</sup> Limit is for a single person and is doubled for a jointly assessed couple.

<sup>2</sup> Available to qualifying residents and applies where payments are made for an individual to be looked after by a registered nurse or in a registered home and the costs of engaging a qualified physiotherapist in certain circumstances.

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

## Value Added Tax

Standard rate 20%.

Other rates currently in force in the Isle of Man are 0% and 5%. Registration threshold with effect from 1 April 2024: £90,000.

## National Insurance Contributions

Class 1	Employee %	Employer %
<b>2024/25: Earnings bracket (weekly)</b>		
up to £160.00	Nil	Nil
£160.01 to £938.00	11	12.8
Over £938.00	1	12.8
<b>2024/25: Earnings bracket (weekly)</b>		
up to £145.00	Nil	Nil
£145.01 to £864.00	11	12.8
Over £864.00	1	12.8

Classes 2, 3, 4	2024/25 £	2023/24 £
<b>Class 2 (self-employed flat rate)</b>		
Per week	6.20	5.70
Small earnings exception (year)	8,320	7,540
<b>Class 3 (voluntary)</b>		
Per week	18.95	17.45
<b>Class 4 (self-employed) Profits bracket (weekly)</b>		
2024/25: £160.00 to £938.00	8%	8%
2023/24: £145.00 to £864.00		
2024/25: Over £938.00	1%	1%
2023/24: Over £864.00		
Lower profits limit (per year)	8,320	7,540
Upper profits limit (per year)	48,776	44,928

Class 1A and 1B contributions are not charged in the Isle of Man.

## Capital Allowances

Rates 2023/24 and 2024/25		Rate per annum %
<b>Plant &amp; Machinery</b>		
First year allowance		100
Writing down allowance		25
<b>Industrial Buildings &amp; Structures</b>		
First year allowance		100
Writing down allowance		4
<b>Agricultural Land &amp; Buildings</b>		
First year allowance		100
Writing down allowance		10
<b>Tourist Premises</b>		
First year allowance		100
Writing down allowance		10

## Personal pensions and retirement annuities

### Contribution limits 2024/25

Maximum annual allowance: £50,000 (2023/24: £50,000).  
Minimum annual allowance: £3,600.

The tax deduction available is the lower of:

- £50,000; and
- relevant earnings for the year.

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

## Benefits in Kind

Benefit	Taxable amount
Car <sup>1</sup>	Calculation based on the CO2 emissions and the list price of the car.
Fuel <sup>1</sup>	£27,800 multiplied by the appropriate CO2 emissions percentage
Accommodation	Cash equivalent
Use of an asset	20% of market value (or cost to employer if higher)
Other facilities	Cost to employer

<sup>1</sup> With effect from 6 April 2024, benefits in kind in respect of cars provided by an employer to an employee for private use will primarily be calculated based on CO2 emissions and the list price of the car. The benefit in respect of fuel will also be aligned with the car's CO2 emissions.

## Exempt Benefits

### General Exemptions

The first £600 of general benefits in kind provided by an employer to an employee in a tax year will be exempt from income tax. This exemption does not apply to accommodation and associated expenses, or bicycle, car, or fuel benefits.

### Specific Exemptions

- Accommodation used solely for duties of employment.
- Car parking space at or near place of work.
- Medical insurance.

## Specific Exemptions (continued)

- Provision of nursery or crèche facilities.
- Christmas party costing not more than £100 per head.
- Provision of a personal computer to an employee for use at home not exceeding £1,000.
- Provision of season tickets or multi-journey tickets to and from work on normal scheduled public transport, or similar coach services.
- Provision of bicycles and certain electric bikes and related safety equipment for use between an employee's home and their place of work up to a maximum of £1,200 in any 3-year period. For an individual who has not received any other general benefits in the tax year the maximum value of a benefit relating to the provision of an electric bike that may be exempt from a benefit in kind charge is £1,800.

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