

The UK Autumn Budget 2026: Key Takeaways for Individuals and Businesses

On Wednesday 28 October, Chancellor John Healey delivered his inaugural Autumn Budget against a backdrop of continued pressure on household and business costs.

By **Paul Webb**, 28th October 2026

In the 2026 Autumn Budget, the Chancellor has announced no broad-based tax rises and has presented the Budget as providing short-term “breathing space” for households and businesses whilst pursuing longer-term investment, growth and structural reform.

Dixcart UK has prepared a comprehensive summary of the Budget, highlighting the key announcements and changes you need to be aware of. You can download the full [Autumn Budget 2026 Summary here](#).

Key announcements are as follows:

- A commitment to closing loopholes in the tax system, including giving HMRC funding to improve compliance and stronger powers to collect overdue tax.
- From 6 April 2027, the property basic rate band will increase to 24%, the property higher rate will be 44% and the additional rate will be 49%.
- The cash ISA limit will remain at £20,000.
- National Living Wage increasing to £13.21 per hour from 1 April 2027 for workers aged 21 years and over.
- The trading allowance will increase from £1,000 to £3,000 from 6 April 2027.
- A new Founders’ Relief will apply from 6 April 2027, providing a 10% CGT rate on up to £10 million of lifetime gains for qualifying founders of high-growth, innovative companies. The detailed conditions are subject to technical consultation.
- The Business Asset Disposal Relief lifetime limit will reduce from £1 million to £500,000 from 6 April 2027.
- For international clients, the Government intends to introduce a mechanism to provide double-tax relief for income received through certain foreign entities where relief is currently unavailable. This is aimed at US LLC’s and similar entities.
- There will be an administrative easement to the CGT exit charge where a trust ceases to be UK resident because of trustee migration. This will apply to exit

charges arising on or after 28 October 2026.

- The Government intends to reform the taxation of distributions from April 2028 with draft legislation expected in 2027.
- The main corporation tax rate will remain unchanged at 25%.
- From 1 April 2027, the main writing down allowance will reduce to 12% and the main first year allowance will increase to 50%. Full expensing remains.
- The R&D Claim Notification form will be abolished from 1 April 2027 and the Additional Information Form will be simplified.
- The Company Share Option Plan will be renamed EMI2 and from 6 April 2027 the individual option limit will increase from £60,000 to £120,000 with the exercise period extended from 10 to 15 years.
- For the Enterprise Management Incentive scheme, the exercise window following a disqualifying event will be extended from 90 to 180 days and the separate grant notification requirement will be removed.
- Mandatory VAT e-invoicing is due from 1 April 2029.
- For Making Tax Digital, there will be a 12 month penalty easement for taxpayers entering the MTD system from 6 April 2027.
- From 6 April 2029, taxpayers who are within the payments on account regime for Self-Assessment will move from the present twice-yearly system to smaller, more regular payments made during the tax year in which the income is earned.

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