

BUDGET 2006



Cigarettes:
Up 9p for
packet of 20



Alcohol: Spirits,
champagne and
cider **FROZEN**
Beer Up 1p pint
Wine Up 4p bottle



Vehicle excise duty:
Zero rate for lowest
polluting cars, rising
to £210 for biggest
gas-guzzlers



Fuel duty:
Increase to be
frozen until
Sep 1, 2006



**Personal tax
allowance:**
Up from
£4,895 to
£5,035



Pensioners:
Free off-peak
bus travel from
2008 for pensioners
and disabled
nationwide



**Child Trust
Funds:** To include
payments of £250
– £500 for lower
income families –
at age 7



Child Tax Credit:
Up 14% over next
3 years; £88pw
for 2 children
by 2009

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Source: HM Treasury



Education: £34bn in new investment in schools over next five years. **Recruit 3,000 new science teachers.** £500m extra capital investment to close funding gap between public and private sector. All primary schools to receive annual direct payments of **£44,000**, secondary schools to get **£150,000-£365,000**, with rises in 2007. Free education to A-Level standard for those up to age 25



Health: Budget of at least **£1bn per year** for Medical Research Council and NHS research under single body. Expansion of research and development tax credit



Employment: Doubling of training for low-skilled women, increase working credit, increase minimum wage from Oct to **£5.35 per hour**



Housing: £970m for shared equity to help new homebuyers. Real estate investment trusts to be introduced. Stamp duty exemption threshold raised to **£125,000**. Inheritance tax threshold to rise from **£275,000 to £325,000** over four years. Extra insulation help for 250,000 pensioners and low-income families. **£5m** for micro-energy generation for initial 25,000 buildings



Law and order: £100m to increase number of community police officers to 16,000. **£1m** endowment fund for victims of terrorism



Sport: £600m for training and facilities for athletes for 2012 Olympics. New **Schools Olympics** each year. Initial funding of **£34m** for new National Sports Foundation