



Budget at a glance

George Osborne faces an **£18 billion** hole that has opened up in the UK economy since November

CHANCELLOR OF THE EXCHEQUER

Key points

Government spending:

Further **£3.5bn a year** of public expenditure cuts to achieve **£10.4bn** surplus by 2019-20

Fuel duty:

Frozen for sixth year in row

Indirect taxes: Tobacco duty to rise **2%** above inflation. Beer, cider and spirits duty frozen. All other alcohol duties to rise with inflation

Income tax: Personal allowance will rise to **£11,500**. Higher-rate tax threshold increased to **£45,000**

Insurance premium tax: To rise from **9.5%** to **10%**. Will provide **£700m** boost to flood defences

Tax avoidance: Raise **£12bn** by preventing multinationals from shifting profits overseas to avoid tax. Crackdown on VAT evasion from foreign sellers on internet

ISAs: Annual savings limit increased from **£15,000** to **£20,000** from April 2017. New **Lifetime ISA** for under-40s – for every **£4,000** saved, government will add **£1,000** up to age 50

Education: Every school in England to convert to academy status by 2020. Maths teaching for everyone up to age 18. One in four schools to stay open for extra hour per day

Health: New levy on soft drinks industry from 2018 to tackle childhood obesity. **£520m** raised to be used to boost sport in schools

Infrastructure: Green light for high-speed trains between Manchester and Leeds, and Crossrail 2 – second cross-London rail link. Road tunnel between Sheffield and Manchester, upgrades to A6 and A69

Regions: Petroleum revenue tax on oil and gas halved to **10%** – key for Scottish industry. Tolls on Severn crossing to Wales cut by **50%**. Air ambulance for N. Ireland. New powers over criminal justice devolved to Greater Manchester. GLA to retain all business rates from 2017

Commercial stamp duty: Cut for small business from midnight. **Zero rate** up to £150,000, **2%** on next £100,000 and **5%** above £250,000

Corporation tax: Cut from **20%** to **17%** by 2020

Capital gains: Top rate cut from **28%** to **20%**, basic rate **18%** to **10%**, effective from April 2016

Business rates: 630,000 small businesses will pay no rates from next year – **£7 billion** tax cut for businesses

