
STATUTORY INSTRUMENTS

2018 No. 1150

INCOME TAX

The Income Tax (Indexation) Order 2018

Made - - - - *6th November 2018*

The Treasury, in exercise of the powers conferred by section 57(6) of the Income Tax Act 2007⁽¹⁾, make the following Order:

Citation and interpretation

- 1.—(1) This Order may be cited as the Income Tax (Indexation) Order 2018.
- (2) In this Order, references to sections are references to sections of the Income Tax Act 2007.

Indexation of allowances for the tax year 2019-20

2. For the tax year 2019-20—
 - (a) the amount specified in section 38(1)(2) (blind person’s allowance) is replaced with “£2,450”;
 - (b) the amount specified in section 43(3) (tax reductions for married couples and civil partners: the minimum amount) is replaced with “£3,450”;

(1) [2007 c. 3](#)
. Section 57 was amended by section 4(3) of the Finance Act [2009 \(c. 10\)](#), section 4(6) of the Finance Act [2012 \(c. 14\)](#), Part 10 of Schedule 1 to the Statute Law (Repeals) Act [2013 \(c. 2\)](#) (“SLRA 2013”), section 4(3) of the Finance Act [2014 \(c. 26\)](#), section 5(10) of the Finance Act [2015 \(c. 11\)](#) (“FA 2015”) and section 3(2) of the Finance (No. 2) Act [2015 \(c. 33\)](#).

(2) The amount specified in section 38(1) was last substituted by article 3(b) of [S.I. 2017/1184](#).

(3) The amount specified in section 43 was last substituted by article 3(c) of [S.I. 2017/1184](#).

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

- (c) the amount specified in section 45(3)(a)(4) (married couple's allowance: marriages before 5 December 2005) is replaced with "£8,915";
- (d) the amount specified in section 46(3)(a)(5) (married couple's allowance: marriages and civil partnerships on or after 5 December 2005) is replaced with "£8,915";
- (e) the amount specified in sections 45(4) and 46(4)(6) (married couple's allowance: adjusted net income limit) is replaced with "£29,600".

Mike Freer

Rebecca Harris

Two of the Lords Commissioners of Her
Majesty's Treasury

6th November 2018

-
- (4) Section 45(3) was amended by Part 10 of Schedule 1 to SLRA 2013. The amount specified in section 45(3)(a) was last substituted by article 3(d) of [S.I. 2017/1184](#).
 - (5) Section 46(3) was amended by Part 10 of Schedule 1 to SLRA 2013. The amount specified in section 46(3)(a) was last substituted by article 3(e) of [S.I. 2017/1184](#).
 - (6) Section 45(4) was amended by section 5(6) of FA 2015. Section 46(4) was amended by section 5(7) of FA 2015. The amounts specified in sections 45(4) and 46(4) were last substituted by article 3(f) of [S.I. 2017/1184](#).

EXPLANATORY NOTE

(This note is not part of the Order)

This Order fulfils the indexation requirements in section 57 of the Income Tax Act 2007 (c. 3)

that certain allowances and limits are increased by reference to the Consumer Prices Index. These increases have effect for the 2019-20 tax year. This Order does not provide for the indexation of the personal allowance, as the Finance Bill 2018 contains provision for disapplying the indexation requirement for it in respect of the 2019-20 tax year.

A Tax Information and Impact Note has not been prepared for this instrument as it gives effect to previously announced policy and relates to a predetermined indexation formula.