The Autumn Budget

Summary of 2026s Budget

Key changes from The Autumn Budget

Here are the key announcements that could affect your clients and their financial plans. This summary brings together the main changes in one place, giving you a clear overview of what's changing.

Business Asset Disposal Relief (BADR) and Founders' Relief

From 6 April 2027, the lifetime limit for BADR, which provides an 18% CGT rate on qualifying disposals, will be reduced from £1 million to £500,000. A new Founders' Relief will also be introduced, providing a 10% CGT rate on up to £10 million of qualifying gains.

Increase to tax on property and savings income

From April 2027, tax rates on savings and property income will increase to 24% for basic rate taxpayers, 44% for higher rate taxpayers and 49% for additional rate taxpayers, reducing the tax efficiency of these investments

Pension Tax Allowance

From April 2027, a new Pension Tax Allowance will ensure those with income at or below the full new State Pension do not pay income tax due to State Pension increases. The allowance will taper for those with higher incomes.

Cash ISA changes to be scrapped

Plans to reduce the annual Cash ISA allowance for under-65s from £20,000 to £12,000 will no longer proceed. The current limit will therefore remain unchanged, and the anti-circumvention rules due to take effect from 6 April 2027 will be revoked.

Pension death benefits

From 28 October 2026 beneficiaries will no longer be taxed on pension and lump sum death benefits paid more than 2 years after the scheme is told of the member's death.

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Other changes to be aware of:

Carer's Allowance changes

From 2030-31, Carer's Allowance will move to a taper system, allowing carers in England and Wales to earn above the current limit without immediately losing all of their benefit.

Energy

Gas standing charges will be abolished and rolled into unit rates. The VAT cut on domestic electricity has been extended to July 2027. Households in council tax bands A-D will receive a £100 energy payment from January 2027.

Fuel duty

The Chancellor extended the temporary 5p per litre reduction in fuel duty to July 2027.

National Minimum Wage

From April 2027, the National Living Wage will increase to £13.21 per hour, with the National Minimum Wage increasing to £11.27 for 18–20-year-olds and £8.31 for 16–17-year-olds. All these changes represent a 3.9% uplift.