Scottish tax rates 2026/27

Income Tax: Scotland

Band	Rate	Taxable income
Personal Allowance	0%	Up to £12,570
Starter rate	19%	£12,571 to £16,537
Basic rate	20%	£16,538 to £29,526
Intermediate rate	21%	£29,527 to £43,662
Higher rate	42%	£43,663 to £75,000
Advanced rate	45%	£75,001 to £125,140
Top rate	48%	Over £125,140

Applies to wages, pensions and most other taxable income for people who live in Scotland. Savings and dividends use UK rates. The Personal Allowance falls by £1 for every £2 of adjusted net income over £100,000, reaching zero at £125,140.

National Insurance

Who	Rate	On
Employee (Class 1)	8%	£12,570 to £50,270 a year
Employee (Class 1)	2%	Over £50,270 a year
Employer (Class 1)	15%	Over £5,000 a year
Employment Allowance	—	Up to £10,500 off employer NI
Self-employed (Class 4)	6%	£12,570 to £50,270 of profit
Self-employed (Class 4)	2%	Over £50,270 of profit

Dividends (UK-wide)

Band	Rate
Dividend allowance	First £500 tax-free
Basic rate	10.75%
Higher rate	35.75%
Additional rate	39.35%

Capital Gains Tax

Item	Rate or amount
Annual exempt amount	£3,000
Basic-rate taxpayers	18%
Higher and additional-rate taxpayers	24%
Business Asset Disposal Relief	18% up to a £1,000,000 lifetime limit

Corporation Tax

Profits	Rate
Up to £50,000	19%
£50,001 to £250,000	25% less marginal relief
Over £250,000	25%

VAT

Item	Rate or amount
Standard rate	20%
Reduced rate	5%
Zero rate	0%
Registration threshold	£90,000 taxable turnover, rolling 12 months
Deregistration threshold	£88,000

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Guidance and the latest version: https://www.countify.co.uk/resources/tax-rates-and-allowances