

An update on Additional Rate tax

News story

The Chancellor confirmed an update to plans for the Additional Rate tax on the morning of 3 October 2022.



From supporting British business to lowering the tax burden for the lowest paid, our Growth Plan sets out a new approach to build a more prosperous economy.

However, it is clear that the abolition of the 45p tax rate has become a distraction from our overriding mission to tackle the challenges facing our country.

As a result, I'm announcing we are not proceeding with the abolition of the 45p tax rate. We get it, and we have listened.

This will allow us to focus on delivering the major parts of our growth package.

First, our Energy Price Guarantee, which will support households and businesses with their energy bills.

Second, cutting taxes to put money back in the pockets of hard-working people and grow our economy.

Third, driving supply side reforms – including accelerating major infrastructure projects – to get Britain moving.

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