

Broadcast

FACTSHEET: 2024 ELECTION MANIFESTO ROUND-UP

SPECIAL ISSUE

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Halfway through the general election campaign, the Labour Party's publication of its 136-page manifesto means that the three major political parties have all now put their future plans on show.




Both the Conservatives and Liberal Democrats issued separate costing documents containing more tax and spend detail, while Labour included a 'Fiscal Plan' section at the end of its manifesto.

This summary covers the main proposals on personal tax, business tax and related matters of the three main national parties. However, given that the total page count of the three manifestos was 333 pages, it does not claim to be exhaustive – there are some smaller, detailed plans which could not be included in a summary.

As ever, what is not mentioned in a manifesto can be as important as the manifesto's content, for example, any mention of capital gains tax from Labour. We include links to the relevant documents should you wish to delve deeper.

In this instance past performance may be a guide to the future: manifesto plans do not always survive post-election realities.




Overview

	 Labour	 Conservatives	 Liberal Democrats
Odds of overall majority (Oddschecker.com)	1/16	66/1	1000/1
Pre-election MPs	206	345	15
Documents	Manifesto Fiscal Plan	Manifesto Costings	Manifesto Costings
Total tax changes	+£8.6bn (approx.) in 2028/29	-£17.2bn in 2029/30	+£26.8bn in 2028/29
Largest new expenditure	£1.7bn a year: Great British Energy	£10.5bn in 2029/30: Cut in employee NICs	£8.35bn in 2028/29: NHS and social care
Tax avoidance / evasion savings	£5.23bn in 2028/29 (includes 'closing further non-dom tax loopholes')	£6bn in 2029/30	£7.23bn in 2028/29




PERSONAL TAX

The focus for most voters and much of the debate so far, the tax burden on families and individuals is a key battleground.

Income tax policies




	 Labour	 Conservatives	 Liberal Democrats
Will not increase the basic, higher, or additional rates of income tax.	No increase in income tax.	Raise the personal allowance "when the public finances allow".	
Freeze of income tax allowances and bands remains.	"Triple Lock Plus" for the personal allowance of taxpayers aged 66 and above. Allowance rises in line with state pension rate of increase.		
	Otherwise, freeze of income tax allowances and bands remains.		
	The High Income Child Benefit Charge will be switched from an individual to a household income basis with taper occurring between £120,000 and £160,000.		

National Insurance Contributions (NICs)

 Labour	 Conservatives	Liberal Democrats 
<p>No increase to NICs.</p> <p>For employees, employers and self-employed, existing threshold freezes continue.</p>	<p>One percentage point reduction to main employee NICs rate for 2025/26 and for 2027/28, leaving rate at 6%. 2% rate above Upper Earnings Limit unchanged.</p> <p>Cut the main rate for the self-employed by one percentage point each year from 2025/26 to 2% in 2028/29. Abolish in 2029/30. 2% rate above Upper Profits Limit unchanged.</p> <p>For employees, employers and self-employed, existing threshold freezes continue.</p>	<p>Review “the tax and national insurance status of employees, dependent contractors and freelancers to ensure fair and comparable treatment.”</p>

PENSIONS

The rising cost of retirement, ageing population plus voting patterns of pensioners, put pensions in the spotlight.

 Labour	 Conservatives	Liberal Democrats 
<p>Reforms to workplace pensions.</p> <p>No comment on lifetime allowance.</p>	<p>New ‘Pensions Tax Guarantee’ promising:</p> <ul style="list-style-type: none"> • no new taxes on pensions; • retention of 25% tax free lump sum; • tax relief on pension contributions to stay at the marginal rate; and • no NICs on employer pension contributions. <p>Retain current reliefs.</p>	<p>Review rules concerning pensions for gig economy workers.</p>

CAPITAL TAXES



Capital Gains Tax

Carried interest will be treated as income, not capital gain.

No increase to capital gains tax.

Business Asset Disposal Relief continued.

Raise annual exemption to £5,000, with tax to be based tax solely on gain:

- 45% on gains exceeding £100,000,
- 40% between £50,000-£100,000 and
- 20% on other gains

Introduce a new small business relief.

Stamp Duty Land Tax

Raise the residential SDLT surcharge paid by non-UK residents by one percentage point.

No increases.

£425,000 SDLT 0% threshold for first-time buyers to be made permanent.

Surcharge on purchase of second homes by overseas residents.

Inheritance Tax

No comment.

Keep business relief and agricultural relief.

No comment.

WELFARE



State Pensions

Keep Triple Lock.

Keep Triple Lock.

Keep triple lock.

Maintain all existing pensioner benefits.

Make sure that WASPI women are “finally treated fairly and properly compensated”.

Consider the Ombudsman WASPI women report and provide ‘an appropriate and swift response’.

Universal Credit

Review Universal Credit.

Accelerate the roll-out, moving all legacy benefit claimants onto Universal Credit.

Cut waiting period for the first payment to five days.

Abolish the bedroom tax.

Replace sanctions regime with an incentive-based scheme.

Abolish young parent rates.

Set up an independent commission to recommend further annual increases in Universal Credit.

Other Benefits

No comment.

Reform benefits system to save £12bn a year by 2029/30.

No comment.

WELFARE (Continued)



Social Care in England

Establish a 'Fair Pay Agreement' in adult social care.'

Build a consensus for the longer term reform required for a sustainable National Care Service.

Cap social care costs from October 2025 based on Care Act 2014.

Introduce free personal care based on the Scottish model.

Launch a social care workforce plan, establish a Royal College of Care Workers to improve recognition and career progression, and introduce a higher Carer's Minimum Wage, initially £2 an hour above minimum wage.

Set up a cross-party commission to design a long-term sustainable funding for social care.

Increase Carer's Allowance and expand eligibility for it.

BUSINESS TAXES

With economic growth at the centre of much of the election messaging so far, the future of business taxes will play a key role.



Corporation Tax

Maintain corporation tax at 25%.

Publish a roadmap for business taxation for the next parliament.

Keep full expensing system for capital investment and the annual investment allowance for small business.

Give businesses more clarity on what qualifies for allowances.

No increase in corporation tax.

Maintain R&D reliefs.

Make the case for increasing the global minimum rate of corporation tax to 21%.

Restore the Bank Surcharge and Bank Levy revenues to 2016 levels in real terms.

Increase the Digital Services Tax on social media firms and other tech giants from 2% to 6%.

Introduce a 4% tax on the share buyback schemes of FTSE-100 listed companies.

VAT

No increase in VAT.

Levy VAT on private schools.

No increase in VAT.

Keep the threshold under review and explore options to smooth the cliff edge at registration level.

Remove the VAT exemptions for private, first-class and business-class flights.

BUSINESS TAXES (Continued)



Business Rates

Scrap the existing business rates system and establish “a fairer way” to raise the same revenue.

Remove exemption for private schools.

Ease rates for high street, leisure and hospitality businesses by raising the multiplier on distribution warehouses.

Abolish business rates and replace with a Commercial Landowner Levy.

Minimum / Living Wage

Change the remit of the Low Pay Commission so “it accounts for the cost of living”.

Remove the minimum wage age bands, replacing them with a single rate for all ages.

Ban zero hours contracts.




Maintain the National Living Wage at the level of two-thirds of median earnings.

Set a 20% per cent higher minimum wage for people on zero-hour contracts.

Set up an independent review to recommend a “genuine living wage” across all sectors, with all public sector employers taking a leading role in paying it.




Review the tax and national insurance status of employees, dependent contractors and freelancers to ensure fair and comparable treatment.

BUSINESS TAXES (Continued)

 Labour	 Conservatives	Liberal Democrats 
Other Measures		
<p>End fire and rehire.</p> <p>Establish basic rights from first day to parental leave, sick pay and protection from unfair dismissal</p>	<p>No comment.</p>	<p>Give right to request a fixed-hours contract after 12 months for zero hours and agency workers, not to be unreasonably refused.</p> <p>Burden of proof in employment tribunals regarding employment status to be changed from individual to employer.</p> <p>Review the off-payroll working IR35 reforms.</p>

FISCAL RULES

The financial framework for achieving any of the policies outlined is itself an issue in the election, although in this area there is both surprising consistency and, in the view of the Institute for Fiscal Studies, a conspiracy of silence.

 Labour	 Conservatives	Liberal Democrats 
<p>Current budget (day-to-day spending) must move into balance by the fifth year of the fiscal forecast.</p> <p>Debt must be falling as a share of the economy by the fifth year of the forecast.</p>	<p>Public sector net debt to be falling in the fifth year of the fiscal forecast.</p> <p>Public sector net borrowing to be below 3% of GDP in the fifth year of the fiscal forecast.</p>	<p>Ensure that day-to-day spending does not exceed the amount raised in taxes.'</p> <p>Get the national debt falling as a share of the economy.</p>