

Income Tax

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3. Tax-free and taxable state benefits

State benefits that are taxable

The most common benefits that you pay Income Tax on are:

- the State Pension
- Jobseeker's Allowance
- Carer's Allowance
- Employment and Support Allowance (contribution based)
- Incapacity Benefit (from the 29th week you get it)
- Bereavement Allowance
- pensions paid by the Industrial Death Benefit scheme
- Widowed Parent's Allowance
- Widow's pension

Tax-free state benefits

The most common state benefits you don't have to pay Income Tax on are:

- Housing Benefit
- Employment and Support Allowance (income related)
- Income Support - though you may have to pay tax on Income Support if you're involved in a strike
- Working Tax Credit
- Child Tax Credit
- Disability Living Allowance
- Child Benefit (income based - use the Child Benefit tax calculator (<https://www.gov.uk/child-benefit-tax-calculator>) to see if you'll have to pay tax)
- Guardian's Allowance
- Attendance Allowance
- Pension Credit
- Winter Fuel Payments and Christmas Bonus
- free TV licence for over-75s

- Lump-sum bereavement payments
- Maternity Allowance
- Industrial Injuries Benefit
- Severe Disablement Allowance
- Universal Credit
- War Widow's Pension
- Young Person's Bridging Allowance

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Income Tax

- Income Tax rates and Personal Allowances (<https://www.gov.uk/income-tax-rates>)
- Tax codes (<https://www.gov.uk/tax-codes>)
- More (<https://www.gov.uk/browse/tax/income-tax>)

Money and tax

- National Insurance (<https://www.gov.uk/national-insurance>)
- Cash basis (<https://www.gov.uk/simpler-income-tax-cash-basis>)
- Simplified expenses if you're self-employed (<https://www.gov.uk/simpler-income-tax-simplified-expenses>)
- More (<https://www.gov.uk/browse/tax>)

Elsewhere on GOV.UK

- Treth Incwm (<https://www.gov.uk/treth-incwm>)