



News Release

Date: 18 February 2020

**BUDGET 2020: UNDER STRICT EMBARGO
UNTIL 11.30AM TUESDAY 18 FEBRUARY 2020**

Budget 2020 at a glance

- An increase to the personal income tax allowance of £250 to £14,250 will lift 465 people out of the tax net and reduce income tax by up to £50 for individuals and £100 for jointly assessed couples.
- A 10% (£13) a week rise in the Earnings Threshold for Primary and Secondary Class 1 National Insurance contributions will benefit 41,000 people. A 5% (£39) rise in the Upper Earnings Limit will see up to 3,500 paying more National Insurance contributions.
- Key rises in the following benefits:
 - *Pensioners*
 - Basic state pension (3.9%)
 - Additional pension – ‘SERPS’ (1.7%)
 - Manx State Pension up to the full rate (3.9%)
 - Income Support Pensioner Premium (5.2%) to ensure pensioners on low incomes receive the full benefit of the increase in the basic state pension
 - Manx State Pension Transitional Amount (1.7%)

- *Family/Other*

Child Benefit (2.0%) building on last year's increase of 5%

Employed Person's Allowance – basic allowances (1.6%, but 5.7% for disabled workers)

- *Disability*

Attendance Allowance (2.0%)

Income Support Disability and Disabled Child Premiums (5.2%)

Nursing Care Contribution (3.6%)

Disability Living Allowance (2.0%)

- The allowance for the first or only child in a family in receipt of income support, employed person's allowance and income based job seeker's allowance is to be increased by £7.45 per week in addition to the 2% increase in Child Benefit.
- An additional £2.2 million for Health and Social Care services, £5 million for Infrastructure, £2.3 million for Department for Enterprise and £700,000 for Education, Sport & Culture relating primarily to Apprenticeships.
- A five-year capital investment programme of £541 million, including Douglas Promenade Walkway, the construction of the Isle of Man Ferry Terminal in Liverpool, major ground-works at the airport and sports pitch works to enable the development of Castle Rushen High School.
- Funds of £10 million set aside to fund initiatives designed to mitigate the impact of climate change on our Island while the longer-term funding strategy is developed.
- An increase of £1.2 million for the Housing Deficiency Budget and an additional £500,000 for the dredging of Peel Marina.

- Continuation of the National Insurance Holiday Scheme for employees who move to the Island for work and Manx students who return to the Island for employment after completing their UK university courses.
- £326,000 for the Office of Cyber Security & Information Assurance to focus on developing our defences against new and emerging technology and cyber threats.
- £590,000 to fund a new and improved Air Ambulance service and £565,000 to fund an increase in the Endoscopy service available to patients on the Island.
- More than £1 million of capital funding towards new communications equipment for the emergency services.
- Healthcare Transformation Fund to be topped up by £5m to support Sir Jonathan Michael's Health Care recommendations

Ends

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