STATUTORY INSTRUMENTS

2025 No. 364

ANNUAL TAX ON ENVELOPED DWELLINGS

The Annual Tax on Enveloped Dwellings (Indexation of Annual Chargeable Amounts) Order 2025

Made - - - - 18th March 2025

The Treasury, in discharge of the duty imposed by section 101(5) of the Finance Act 2013(**1**), make this Order:

Citation

1. This Order may be cited as the Annual Tax on Enveloped Dwellings (Indexation of Annual Chargeable Amounts) Order 2025.

Chargeable Amounts

2. The amounts that by virtue of section 101 of the Finance Act 2013 (indexation of annual chargeable amounts) are to be the annual chargeable amounts for chargeable periods beginning on or after 1st April 2025 are determined in accordance with the following table, by reference to the taxable value of the interest on the relevant day(**2**).

Annual chargeable amount	*Taxable value of the interest on the relevant day*
£4,450	More than £500,000 but not more than £1 million.
£9,150	More than £1 million but not more than £2 million.
£31,050	More than £2 million but not more than £5 million.
£72,700	More than £5 million but not more than £10 million.

(**1**) 2013 c. 29.
(**2**) “Chargeable periods”, “relevant day” and “taxable value” are defined, respectively, by sections 94(8), 99(5) and 102 of the Finance Act 2013. Section 102 was amended by section 71 of the Finance Act 2015 (c. 11).

Annual chargeable amount	*Taxable value of the interest on the relevant day*
£145,950	More than £10 million but not more than £20 million.
£292,350	More than £20 million.

Jeff Smith
Anna Turley
Two of the Lords Commissioners of His Majesty's Treasury

18th March 2025

EXPLANATORY NOTE

(This note is not part of the Order)

This Order states the annual chargeable amounts of the annual tax on enveloped dwellings.

Section 99(4) of the Finance Act 2013 (c.29) sets out the annual chargeable amounts of tax. Section 101(5) of that Act provides for the indexation of those amounts.

This Order states the indexed amounts for chargeable periods beginning on or after 1st April 2025. Article 2 states the annual chargeable amounts by reference to the taxable value of the interest.

The annual chargeable amounts for each chargeable period beginning on or after 1st April are determined by reference to the "all items" Consumer Price Index (CPI) as published by the Office of National Statistics. Where the September CPI (in this case September 2024) is higher than it was for the previous September, the amounts of tax for the next chargeable period are increased by the same percentage increase in the CPI, rounding down to the nearest multiple of £50. The CPI rose by 1.7% in the 12 months to September 2024 (https://www.ons.gov.uk/economy/inflationandpriceindices/bulletins/consumerpriceinflation/september2024). As a result, the annual chargeable amounts for the chargeable periods beginning on or after 1st April 2025 have increased by comparison to the amounts for chargeable periods beginning on or after 1st April 2024, as set out in the Annual Tax on Enveloped Dwellings (Indexation of Annual Chargeable Amounts) Order 2024 (S.I. 2024/379).

A Tax Information and Impact Note has not been prepared for this instrument as it gives effect to previously announced policy and relates to routine changes following a predetermined indexation formula.