State Benefits Rates and Taxation, 2018/19

The UK’s social security benefits system helps those who are either unemployed, employed on low paid, ill/disabled, or retired on a low income. This help is mainly in cash but also with additional benefits-in-kind for some groups. The 2018/19 rates are:

Unemployment Assistance

Rate for unemployed singles aged 25 years and over: £73.10 per week; under 25 £57.90 per week (paid fortnightly).

For unemployed couples 18 years and over: £114.85 per week

Unemployed lone parents 18 years+ with one child £73.10 + £64.02 Child Tax Credit + £20.70 Child Benefit, Total=£157.82 per week

Unemployed couples 18+ with two children £114.85 + £117.50 Child Tax Credit + £34.40 Child Benefit,

Total=£266.75

Unemployed claimants may also get a **Housing Benefit** up to the local housing allowance (LHA), plus **council tax benefit**, depending on the level of any savings they have in excess of £6,000 and any income other than unemployment benefit. Those with mortgagesmust wait 9 months before claiming for loan-based **Support for Mortgage Interest** (SMI) .

Claimants of income-related JSA or Income Support are entitled to **free medical prescription items and dental treatmen**t, depending on the level of any income other than unemployment benefits, so too with **free school meals**.

Unemployment benefit (JSA, contribution-related) is paid for a period of up to 6 months and if still unemployed can carry on at the same rate of benefit with the JSA income-related which is also paid to those without full (NIC]) contributions. Claimants must register with the local Job Centre and be actively looking for work..

Low Pay supplements and income tax.

There is a statutory **National Living Wage** (NLW), below which it is illegal to pay, which is currently £7.83 per hour for those aged 25 and over; £7.38 for those 21-24; £5.90 for those 18-20; £4.20 for those under 18, and £3.70 for apprentices. So the minimum wage for an employee aged 25 and over working 37 hours a week would be £290.50 a week gross (£15,107p.a.) and with income tax of £12.52 a week and National Insurance Contributions (NIC) of £15.42 deducted, net weekly earnings would be £262.56 ( £13,653p.a).

In addition, there is **Working Tax Credit** and **Child Tax Credi**t , paid by the DWP to supplement lower paid singles and couples at a level determined by the family/household size and income plus non-means-tested **Child Benefit**. Lower paid workers may also qualify for **rent allowance** (but not help with mortgage payments) and **council tax rebates** . For example, a single-earner couple with two children working 37 hours a week at the National Living Wage would be entitled to £141 a week in tax credits, £34.40 in Child Benefit, and £99 towards their £182 a week rent on top of their work income, giving them a total net disposable income after paying rent and council tax of £334 a week (17,338p.a.).

All these separate means-tested credits and benefits are being replaced by a single **Universal Credit** currently being rolled out across the country and scheduled to be completed by the end of 2018.

IIlness and disability

Those aged 16-64 with a long-term health condition or disability that affects their ability to live independently, may be able eligible for [**Personal Independence Payment**](#personal_independence_payment). Those under 16 may be eligible for **Disability Living Allowance**, while those aged 65 or over with care needs, may be able to claim [**Attendance Allowance**](#benefits_for_the_costs_of_disability).

Adults who care for someone who is disabled may be able to claim[**Carer’s Allowance**](file:///C%3A/benefits/sick-or-disabled-people-and-carers/carers-allowance/)

Other benefits available for qualifying claimants include [Statutory Sick Pay](#benefits_for_people_who_cannot_work) and ESA ([**Employment and Support Allowance**](#employment_and_support_allowance)**).**

**Free medical prescription items** are available for those with other qualifying illnesses.

**Free Bus passes** are available for impaired sight or hearing, plus a number of other conditions.

Pensioners

**State** **Basic Pensions** are paid to those of pension age, currently 65 for men and 64 for women but being gradually phased in to a joint age of 67. The current basic pension rate of £125.95 per week (£6550p.a) is paid to men born before April 1951 and women born before April 1953 who have a qualifying **National Insurance Contribution** record. Those reaching the relevant pension age born after these dates can get an **Additional State Pension**, the amount of which depends on their contribution record, previous salary and whether contracted out or made additional top-ups to the basic scheme.

The basic state pension It is not means-tested and is paid on top of any **Personal Pensions**.

**Pension Credit** is a means-tested addition to the basic state pension. The **Guarantee Credit** tops-up pensioners weekly income if it is less than £163 for single people or £248.80 for couples. Those in receipt are also entitled to **free medical prescription items and Dental treatment.** There is also a small **Savings Credit** top-up for those eligible and who have some savings.

People aged 60 or over are entitled to **free medical prescription items**.

Pensioners over 74 qualify for **free TV licences.**

In England, elderly people can apply for a **bus pass for free travel** on reaching the [female State Pension age](file:///C%3A/state-pension-age/y/bus_pass), whether they are men or a women; in the rest of the UK when you are 60.