Budget Summary 2014

This Budget is part of our long-term economic plan to give economic security to the families of Britain.

HELP FOR SAVERS

Make ISAs simpler by merging the cash and stocks ISAs into a single New ISA. The annual limit will increase to Â£15,000 a year â€“ for either shares, or cash, or a combination of both.

Abolish the 10p rate on savings income. The 10p starting rate on savings income will become a zero-pence rate. The zero-pence band will expand up to Â£5,000 of savings income. 1.5 million low income savers will benefit.

A new pensioner bond in January 2015. From the autumn it will offer a better return than any equivalent in the market today.

Investment in Premium Bonds will also rise, first to Â£40,000 on 1 June this year then to Â£50,000 in 2015/16. And there will now be 2 Â£1 million prizes every month.

PENSION FLEXIBILITY

No one will have to buy an annuity if they don't want to. There will be no punitive 55% tax rate if you try and take more than your tax-free lump sum. A new guarantee enforced in law, that everyone who retires on DC schemes will be offered free, impartial, face-to-face advice.

In the meantime, from 27 March, we will:

Cut the minimum income requirement for flexible drawdown from Â£20,000 to Â£12,000;raise the capped drawdown limit from 120% to 150%;increase the size of a single pension pot that can be taken as a lump sum five-fold to Â£10,000 and increase the number of pots under Â£10,000 that can be taken as a lump sum from two to threealmost double the size of total pension savings that can be taken as a lump sum to Â£30,000.

CUTTING TAXES

Personal Allowance will rise to Â£10,500 in 2015/16. A tax cut for 25.4 million people. By April 2015, a typical basic rate taxpayer will pay Â£800 less income tax a year.

Bingo tax halved from 20 per cent to 10 per cent. This will protect jobs and protect communities.

Penny off the pint. Beer duty will be cut next week by 1p. The escalator for all alcohol duties has been scrapped. Duties on ordinary cider, whisky and other spirits have been frozen.

SUPPORTING MANUFACTURING

A package saving households, businesses and manufacturers Â£7 billion will cut the cost of manufacturing by cutting energy bills. This will help households, manufacturers and Energy Intensive Industries with the cost of energy.

Capping the Carbon Price Support rate saves a mid-sized manufacturer almost Â£50,000 on their annual energy bill, and saves families Â£15 a year on their bills.

Support our Energy Intensive Industries with compensation for green levies.

BACKING BUSINESS â€“ EXPORTS AND INVESTMENT

Doubling the Annual Investment Allowance to Â£500,000. This will run until the end of 2015.

The most competitive export finance in Europe. We will double the amount of lending available to Â£3 billion and from today the typical interest rates we charge on that lending will be cut by a third.

Reform of APD. From April 2015, the two highest rates (C & D) will be abolished. Long haul flights will be in the same lower band B rate as flights to the US.

Raising the rate of R&D tax credit for loss-making SMEs to 14.5%.

The Help to Buy equity loan scheme for new homes will run until 2020. This could mean 120,000 new homes.