Rachel Reeves and Income Tax Plans

Rachel Reeves decided not to raise income tax. She looked for other ways to get money as new reports showed better economic forecasts.

The plan to raise income tax by 2p and cut National Insurance by 2p was dropped because the money gap is now smaller.

The government plans to freeze tax thresholds. This means more people might pay more tax as their pay rises. They also want to tax wealth and capital.