

Employee no. 1776  
Name: John Smith

Date: 30/02/01  
Payment method: BACS

GraduateFinance.Com

A summary of your tax and NI payments to date this tax year.

**Payments**

**Deductions**

**Cumulatives**

Salary	1375.00	Tax	208.32	Gross Pay YTD	14485.83
		NI	105.24	Taxable Pay YTD	14485.83
				Tax YTD	2134.43
				NI YTD	1086.68

This is the amount of income tax deducted from your salary. For the 2001/2002 tax year a single person can earn up to £4,535 before being liable for tax (your personal allowance). Thereafter the first £1,880 of your annual salary is taxed at 10% (**start rate**), the amount between £1,881 and £29,400 is taxed at 22% (**basic rate**), and anything above this is taxed at 40% (**higher rate**).

National Insurance (NI) contributions are basically another tax used for old age pensions, sick pay, benefits, and the NHS. NI contributions represent 10% of your earnings between £87 and £575 per week. There is a maximum contribution of £48.50 per week which you pay if you earn over £575 per week.

**Total Payment**

1375.00

**Total Deductions**

313.56

**NET PAYMENT**

1067.84

This is the **gross salary**, that is, your monthly salary before the deduction of tax.

This is the **net salary** after all deductions have been made.

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