

# Your Payslip Explained

1																	
Company Details																	
Company Name : IRIS Payroll    Branch : [Default]    Cost Centre : 320    Department : [Default]																	
2		Employee No			Employee Name			3		NI Letter & No		Annual Salary		Standard hours			
		EE3			Sarah Jane A Help					A SR450612A		£39,000.00		0.00			
4		Payments		Units		Rate		(£) Amount		5		Deductions		(£) Amount			
		Salary						3250.00				Tax		421.00			
												National Insurance		302.16			
												Pension Contribs.		48.75			
												LOAN		83.33			
												Student Loans		147.00			
														1,002.24			
6						7						8					
Employer Details						(£) This Period						(£) Year To Date					
Tax District: Brighton						Taxable Pay 3201.25						Taxable Pay 10,509.24					
Tax Reference: 948/117						Tax 421.00						Tax 1443.80					
						National Insurance 302.16						National Insurance 1016.56					
						Ers NIC TP: 376.74						Ers NIC YTD: 1,257.08					
						Ers Pension TP: 162.50						Ers Pension YTD: 533.35					
9		10		11		12		13									
Date		Pay Method		Pay Period No		Tax Code		(£) Net Pay									
30/06/2020		Cheque		3		1315L		2247.76									

**Address:** 18 Springfield Road House Number One Hove BN1 6BT Ireland

**1 Company information** – Company name, your branch, cost centre and department if applicable

**2 Employee Number** – This unique number is provided by your payroll provider and acts as a personal identifier. HMRC and your Employer will use this number to identify you.

**3 National Insurance (NI) number** - If you work in the UK, you will need an NI number. This number records that your contributions are logged correctly and helps you to build entitlement to state benefits, for example the state pension. Please make sure you pass this number to your employer when you start employment.  
**National Insurance (NI) Category** - Employers use the NI Category to determine how much National Insurance should be paid for the Employee and Employer. Different letters mean different rates of contribution payable – Category A is the standard letter used for a person between 21 and state pension age.

**4 Payments**  
This will show a breakdown of the pay you have earned before deductions are taken.  
This can include items like Salary, overtime, bonuses, commission or Statutory payments such as Maternity, Paternity and Sick pay. The payments could be listed as one item or detail the number of hours worked and your hourly rate.  
Expenses may be shown as a lump sum or listed separately as a taxable or non-taxable amount dependant on the company policy and what is exempt

**5 Deductions**  
Refer to the HMRC guidance with regards to Tax and NI deductions  
**Tax** <https://www.gov.uk/tax-codes>  
**National Insurance** <https://www.gov.uk/national-insurance>  
**Student loan** – if you are repaying a student loan this will appear on your payslip. You will normally start deductions in the April after you graduate or leave your course. HMRC advise your employer how to calculate this.  
**Loan** – If you are repaying a company loan, for example a Season ticket loan this will appear on your payslip.  
**Pension** – if you contributing to a pension scheme, you will see your contributions here.  
**Court orders and child maintenance (AEOs)** - A court can order deductions directly from your pay.

**6 Employer Details**  
Your Employer details including tax reference and tax district, you may need this if you contact HMRC

**7 Pay This Period** – The total taxable pay, Tax, National Insurance and Pension contributions paid in this period. This section may include Employers payments for National insurance and Employers Pension Contributions.

**8 Year to Date** – A summary of your year to dates will appear on your payslip. This will show a total of how much you have paid during the tax year (6<sup>th</sup> April – 5<sup>th</sup> April) including tax, NI, Employers NI and Employers Pension.  
Note: Taxable pay is the total amount of pay that has had tax applied in the tax year. This will not necessarily relate to your salary or additional payments or deductions such as expenses, salary sacrifice schemes or Pension deductions.

**9 Pay Date** – The date that payment will be made.

**10 Pay Method** – The Method you will receive the payment i.e. BACS

**11 Pay Period** – The tax month that you are paid in, for example if you are paid monthly month 12 will be March

**12 Tax Code** - Your tax code is sent to you by HM Revenue & Customs (HMRC). The code determines the tax-free pay you should get before tax gets deducted. Check that your code is correct against your latest tax code letter or your personal tax account <https://www.gov.uk/personal-tax-account> to ensure that you don't pay too much or too little tax.

**13 Net Pay** – This is the amount you will receive on payday. This is to the total amount owed to you after all deductions have been made.