



Legislation Briefing

Budget 2004 Summary

Legislation Briefing ♦ **Legislation b**

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Appendix 2:

National Insurance Rates and Thresholds

National Insurance Contributions 2004/2005 - Employee						
Earnings	Employee Contributions					Employee NIC Rebate
	Table letters					
	A	B, E, G	C	D, F	J, L, S	D, F, L, S
Below £79.00 weekly Below £342.00 monthly Below £4,108.00 yearly	Nil	Nil	Nil	Nil	Nil	Nil
£79.00 to £91.00 weekly £342.00 to £395.00 monthly £4,108.00 to £4,732.00 yearly	0%	0%	Nil	0%	0%	1.6%
£91.01 to £6,10.00 weekly £395.01 to £2,644.00 monthly £4,732.01 to £31,720 yearly	11%	4.85%	Nil	9.4%	1%	Nil
Over £610.00 weekly Over £2,644.00 monthly Over £31,720.00 yearly	1%	1%	Nil	1%	1%	Nil
Note: The amount of Employee NIC rebate actually paid to the employee is limited to an amount sufficient to reduce their normal contribution to zero. Any excess is used to reduce the employer's contribution, which may result in a negative employer's contribution.						



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National Insurance Contributions 2003/2004 - Employer					
Earnings	Employer Contributions			Employer NIC Rebate	
	Table letters				
	A, B, C, J	D, E, L	F, G, S	D, E, L	F, G, S
Below £79.00 weekly Below £342.00 monthly Below £4,108.00 yearly	Nil	Nil	Nil	Nil	Nil
£79.00 to £91.00 weekly £342.00 to £395.00 monthly £4,108.00 to £4,732.00 yearly	0%	0%	0%	3.5%	1.0%
£91.01 to £610.00 weekly £395.01 to £2,644.00 monthly £4,732.01 to £31,720.00 yearly	12.8%	9.3%	11.8%	Nil	Nil
Over £610.00 weekly Over £2,644.00 monthly Over £31,720.00 yearly	12.8%	12.8%	12.8%	Nil	Nil

Class 1A NICs

	2003/2004	2004/2005
Rate	12.8%	12.8%
To be paid by	19 July 2004	19 July 2005

Class 1B NICs

	2003/2004	2004/2005
Rate	12.8%	12.8%
To be paid by	19 July 2004	19 July 2005

